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Observers Attend Hungarian-Soviet Exercise

LD1710195588 Budapest MTI in English
1832 GMT 17 Oct 88

[Text] Budapest, October 17 (MTI)—A joint Hungarian-Soviet military exercise which started in Hungary on Saturday is being attended by foreign military observers who were notified 42 days ago through diplomatic channels.

Two observers each from Austria, Bulgaria, Canada, Czechoslovakia, Finland, France, the Federal Republic of Germany, the German Democratic Republic, Italy, the Netherlands, Poland, Romania, Spain, Sweden, Switzerland, the United Kingdom, the United States of America, and Yugoslavia, are inspecting the military manoeuvres which involve at least 17,000 troops, under an opportunity provided by the document accepted at the Stockholm conference on military confidence- and security-building in 1986. This is the first time since the approval of the Stockholm document that a military exercise has been attended by foreign observers in Hungary.

On Monday afternoon, the observers were greeted by Brigadier General Laszlo Fazekas, deputy chief-of-staff of the Hungarian People's Army, at the army cultural centre in Budapest. After the welcoming ceremony, the high-ranking officers representing 18 countries left for the scene of the exercise.

Karpati Leaves for Prague Pact Talks

LD1710105788 Budapest MTI in English
1032 GMT 17 Oct 88

[Text] Budapest, October 17 (MTI)—Headed by Colonel-General Ferenc Karpati, Hungarian minister of defence, a military delegation left for the Prague session of the Defence Ministers' Committee of the Warsaw Treaty member states on Monday.

Warsaw Pact Defense Ministers Meet in Prague

LD1710181588 Prague CTK in English
1631 GMT 17 Oct 88

[Text] Prague Oct 17 (CTK)—A regular session of the defence ministers of the Warsaw Treaty member states opened here today, with Czechoslovak Defence Minister Army General Milan Vaclavik in the chair.

Attending the session are the defence ministers Dobri Dzhurov of Bulgaria, Ferenc Karpati of Hungary, Heinz Kessler of the GDR, Florian Siwicki of Poland, Vasile Milea of Romania and Dmitriy Yazov of the USSR. Also present are the chief commander of the Warsaw Treaty Joint Armed Forces Soviet Marshal Viktor Kulikov and Chief of the Joint Armed Forces Staff Army General Anatoliy Gribkov.

Italian Labor Minister Formica Visits

AU1810091088 Tirana ATA in English
0740 GMT 18 Oct 88

[Text] Tirana, October 18 (ATA)—The Italian minister of labour, Rino Formica, came on a visit to Tirana on October 17.

Upon his stay in Tirana he had a friendly meeting with the vice chairman of the Council of Ministers, Manush Myftiu.

Likewise, the Italian minister Formica met with the minister of foreign affairs, Reis Malile, and with the chairman of the State Planning Commission, Niko Gjyzari. Prof Sofokli Lazri, director of the International Relations Study Institute, gave a dinner in his honour which passed in a warm atmosphere.

Opinions were exchanged at these meetings on the possibilities existing to further develop the relations between Albania and Italy in different fields of mutual interest, on the situation in the Balkans, and other international political problems.

Attending these meetings were also the ambassador extraordinary and plenipotentiary of the Italian Republic to the PSR of Albania, Giorgio de Andreis.

On October 17 too, Minister Rino Formica left our country for Italy.

Trade Union Delegation Departs for SRV

AU1610145788 Tirana ATA in English
0930 GMT 16 Oct 88

[Text] Tirana, October 16 (ATA)—At the invitation of the Trade Unions Federation of Vietnam, a delegation of the General Council of TUA [Trade Unions of Albania], headed by Hamit Shanku, member of the Presidium of this council, left for Hanoi to attend the proceedings of the 6th congress of this federation.

The delegation was seen off at the airport by the secretary of the General Council of TUA, Strati Marko, and other comrades.

Present was also the charge d'affaires a.i. of the Embassy of the Socialist Republic of Vietnam to the PSR of Albania, Chu Van Chuc.

Democratic Front Paper Marks GDR Anniversary

AU0710131888 Tirana ATA in English
1000 GMT 7 Oct 88

[From the "Press Review"]

[Text] The newspaper "BASHKIMI" carries the article entitled "Festivity of the German Democratic Republic," written by journalist Genc Kondi, which says among the other things:

October 7 is the day of the founding of the German Democratic Republic. It is commemorated in this country since 1949 as an official festivity. Since then and till now the people of this country have marched on the road of the development of economy, culture, and of the whole social life. In our days the GDR is a state with a powerful economy, with a developed industry and agriculture. Successes are achieved also in the field of culture.

The Albanian people, who view with sympathy the achievements of the people of GDR in all the fields of life, wish them sincerely further successes for the country's progress and prosperity. The uplift of the representation level between the GDR and the PSR of Albania at ambassador level serves the further expansion of cooperation in all fields.

The two parties are disposed to find new ways and forms to stimulate this process, being convinced that such a thing is to the benefit not only of the two peoples, but also of peace and stability on the European continent, part of which our two countries are.

Economic Progress Report for 9-15 Oct

AU1510194388 [Editorial Report] Tirana Domestic Service in Albanian in its transmissions between 9-15 October carries the following economic performance reports (time and date of transmission in parentheses):

Elbasan District: The coking plant at the Steel of the Party Metallurgical Combine has overfulfilled its plan to date by 3.6 million leks. (1430 GMT 13 October)

Kolonje District: The industrial production plan up to 5 October has been exceeded by 5 percent. (1900 GMT 10 October)

Kruje District: The 9-month export plan has been fulfilled. (1900 GMT 9 October) The industrial production plan to 10 October was overfulfilled by 2 million leks. (1900 GMT 12 October)

Pogradec District: The industrial production plan up to 10 October has been overfulfilled by 4 million leks. (1900 GMT 11 October)

Mozambique Premier Concludes Visit

Visits Tolbukhin

AU1410194788 Sofia Domestic Service in Bulgarian 1830 GMT 14 Oct 88

[Text] The 2-day stay in Varna Oblast of the Mozambican prime minister, Mario da Graca Machungo, ended today with a visit to the city of Tolbukhin. The guest was accompanied by Comrade Georgi Atanasov.

In the party building Petur Nikov, first secretary of Tolbukhin Municipal BCP Committee, spoke about the development of the municipality under restructuring [passage indistinct].

The guest visited the Rodopa industrial animal farming combine, where modern technologies are applied in meat processing and the production of meat products for the domestic and international markets.

In the laboratory complex of the Dobrudzha Wheat and Sunflower Institute, the Mozambican prime minister acquainted himself with the work of the scientific center, which provides comprehensive aid [words indistinct] in the creation of new varieties of cereal crops and technologies for their cultivation.

Holds Final Talks, Departs

AU1510142188 Sofia BTA in English 1218 GMT 15 Oct 88

[Text] Sofia, October 15 (BTA)—Mr Mario da Graca Machungo, prime minister of Mozambique, finished today his 6-day official visit of friendship in this country.

At the final talks with Mr Georgi Atanasov, the prime minister of Bulgaria, the two premiers expressed their conviction that the results achieved will contribute to the further development of cooperation between Bulgaria and Mozambique.

Mr Georgi Atanasov and Mr Mario da Graca Machungo signed a protocol on the achieved agreements. The document confirms the two countries' readiness to expand trade and economic and techno-scientific cooperation on a mutually advantageous basis.

There is an agreement reached on the promotion of direct trade agreement between Bulgarian and Mozambican organizations for the development of mutual productions for processing of certain raw materials.

In the field of techno-scientific cooperation there is to be an increase of the number of Mozambican experts who are to raise their qualifications and be trained in Bulgaria.

Communique Released on Visit

AU1710154488 Sofia RABOTNICHESKO DELO in Bulgarian 16 Oct 88 pp 1, 2

["Joint Bulgarian-Mozambican Communique" on the 10-15 October official and friendly visit to Bulgaria of Mario da Graca Machungo, member of the Frelimo Party Central Committee Politburo and Mozambican premier]

[Text] Mario da Graca Machungo, member of the Frelimo [Mozambique Liberation Front] Party Central Committee Politburo and premier of the People's Republic of Mozambique, made an official and friendly visit to the People's Republic of Bulgaria from 10 to 15 October, at the invitation of Georgi Atanasov, member of the BCP Central Committee Politburo and chairman of the Council of Ministers of the People's Republic of Bulgaria.

Mario da Graca Machungo, member of the Frelimo Party Central Committee Politburo and Mozambican premier, was received by Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council.

During the friendly talk, the Mozambican guest conveyed to Comrade Todor Zhivkov most cordial greetings on the part of Joaquim Chissano, chairman of the Frelimo Party and president of the People's Republic of Mozambique, as well as best wishes for the friendly Bulgarian people's progress and prosperity.

For his part, Todor Zhivkov conveyed to Joaquim Chissano most sincere greetings and wishes for the friendly Mozambican people's success and progress.

Mario da Graca Machungo laid a wreath at the mausoleum of Georgi Dimitrov, the great son of the Bulgarian people.

The Mozambican guest and the officials who accompanied him visited industrial, agrarian, historical, and tourist sites in Sofia and Varna Oblast.

Comrades Georgi Atanasov and Mario da Graca Machungo had official talks, which took place in a friendly atmosphere and in a spirit of mutual respect and understanding.

During the talks, Georgi Atanasov and Mario da Graca Machungo exchanged information on the most topical issues of developing the two countries, made a detailed review of the state of Bulgarian-Mozambican cooperation, and discussed the possibilities of its further development. They also exchanged opinions on the basic issues of the present international situation.

Georgi Atanasov briefed the Mozambican premier on the profound process of restructuring in the country's sociopolitical, economic, and cultural life, and on the achievement of a qualitatively new growth in developing socialist society in Bulgaria.

Mario da Graca Machungo highly evaluated the successes achieved by the Bulgarian people in constructing socialism in Bulgaria. He briefed the leader of the Bulgarian Government on the tasks solved by the Mozambican people in successfully implementing the "Program on the Economic Revival" of Mozambique's economy, on eliminating the armed bands, and on the preparations for the Fifth Frelimo Party Congress.

Georgi Atanasov highly evaluated the achievements of the Mozambican people in implementing these basic tasks.

The two governmental leaders positively assessed the state of bilateral relations and the work of the Joint Bulgarian-Mozambican Commission on Economic and Scientific-Technical Cooperation.

The two sides discussed specific issues of trade, economic, and scientific-technical cooperation and expressed their readiness to further develop this cooperation on a mutually beneficial basis.

A protocol was signed on the talks which were conducted and the agreements which were reached.

While exchanging opinions on the present international situation, the two sides expressed identical positions on the main international issues. They stressed the great positive influence of the USSR-U.S. INF Treaty on improving the political climate in the world, as well as its historical significance as the first real step along the road of nuclear disarmament.

The two sides greeted the agreements reached by the USSR and the United States. They expressed their conviction that greater efforts on the part of all the states of the world will be necessary in order to give an irreversible character to the process of disarmament and detente which has begun. The sides expressed their support for the idea to create a comprehensive system of international peace and security.

The premier of the People's Republic of Mozambique supported the program of initiatives proposed by the socialist countries at the Warsaw meeting of the Political Consultative Committee of the Warsaw Pact Member States, aimed at further disarmament and strengthening confidence and security in Europe and the world.

Georgi Atanasov briefed the Mozambican guest on the policy and initiatives of the People's Republic of Bulgaria, aimed at improving the general atmosphere, strengthening peace, security, and cooperation in the Balkans, and turning them into a nuclear- and chemical-weapon-free zone.

The Mozambican side highly evaluated the steady, peace-loving foreign policy of the People's Republic of Bulgaria and its contribution to asserting an atmosphere of understanding, good-neighborly relations, and detente in the Balkans, Europe, and the world.

The two government leaders noted with satisfaction the progress which has been achieved in solving regional conflicts, and confirmed their countries' adherence to quickly solving these conflicts through dialogue, and respecting the interests of the interested sides.

Mario da Graca Machungo briefed Georgi Atanasov on the situation in Africa and in the region of southern Africa, and the policy of the People's Republic of Mozambique in the continent and the world.

The Bulgarian side highly evaluated the active foreign policy of the People's Republic of Mozambique in Africa and the world, its constructive role among the frontline states and in the OAU, the Nonaligned Countries Movement, the UN, and the other international organizations, and its contribution to the struggle to eliminate colonialism, racism, and apartheid, and strengthening African unity. Georgi Atanasov again confirmed Bulgaria's principled and consistent support for the efforts and activity of the Frelimo Party and the Government of the People's Republic of Mozambique in solving the basic tasks of the country and establishing peace and stability in the region of southern Africa.

The sides decisively denounced the assistance rendered by the Republic of South Africa and other reactionary forces to the armed bands which are carrying out criminal acts in the People's Republic of Mozambique. They demanded an immediate halt to the assistance rendered to the armed bands and to the destabilization of the People's Republic of Mozambique.

Georgi Atanasov and Mario da Graca Machungo greeted the negotiations conducted by the People's Republic of Angola, Cuba, and the Republic of South Africa, with U.S. mediation. They expressed hope that the quadrilateral negotiations will end successfully and bring about the independence of Namibia on the basis of Resolution 435 of the UN Security Council and by guaranteeing the security of the People's Republic of Angola and lasting peace in the region. The sides decisively denounced the terrorist acts of bands belonging to the National Union for the Total Independence of Angola, and demanded an immediate halt to all assistance to them.

They confirmed their solidarity and support for the South-West African People's Organization, the African National Congress, and the other forces struggling to eliminate the shameful system of apartheid, and for justice, democracy, and peace.

The two sides noted the close mutual dependence between disarmament and development, and expressed their conviction that the process of disarmament of

decreasing military expenditures will create real preconditions for directing material resources toward solving the most pressing socioeconomic, ecological, and other problems of all states, especially those of the developing countries.

The two sides expressed satisfaction with the results achieved during the visit of the Mozambican premier in Bulgaria and stressed their conviction that it will contribute to further developing the cooperation between the two friendly countries.

Mario da Graca Machungo expressed his deep gratitude as well as the gratitude of the Mozambican delegation for the cordial hospitality. He invited Georgi Atanasov to pay an official and friendly visit to the People's Republic of Mozambique. The invitation was accepted with gratitude. The date of the visit will be coordinated through diplomatic channels.

Tanchev Receives Italian Minister Gaspari
AU1810085588 Sofia BTA in English
2101 GMT 17 Oct 88

[Text] Sofia, October 17 (BTA)—Mr Petur Tanchev, secretary of the Bulgarian Agrarian Party (BZNS) and first vice president of the State Council, today received Mr Remo Gaspari, a prominent member of the Christian Democratic Party and minister of southern development of Italy, who is visiting here at the invitation of the BZNS Standing Committee.

The sides emphasized that the contacts between the BZNS and Italy's largest ruling party, the Christian Democrats, help expand and upgrade Bulgaro-Italian relations in the political, economic and cultural fields. They considered the opportunities for a further promotion of contacts between the BZNS and the Christian Democratic Party in the best interests of bilateral cooperation.

The guest stressed the contribution of Bulgaria and of Mr Todor Zhivkov, president of the State Council, to peace and good-neighbourliness in the Balkans and to the promotion of the Balkan-wide and the CSCE processes.

Satisfaction was expressed with the positive tendencies following the Soviet-American summits. The sides pointed to the role of the interaction of the agrarian and the other democratic parties, of all progressive forces in support of the East-West dialogue and in the efforts to promote peaceful coexistence.

Hungarian Deputy Foreign Minister Visits
AU1510185788 Sofia BTA in English
1833 GMT 15 Oct 88

["Bulgaro-Hungarian Consultations"—BTA headline]

[Text] Sofia, October 15 (BTA)—Mr Jozsef Benyi, deputy foreign affairs minister of Hungary, was on a visit in Sofia on 14 and 15 October for consultations. Mr Lyuben Gotsev, deputy foreign affairs minister, participated in the talks on the Bulgarian side.

Indian Defense Minister Meets Atanasov, Ends Visit
AU1710195288 Sofia BTA in English
1835 GMT 17 Oct 88

[Text] Sofia, October 17 (BTA)—Mr Krishna Chandra Pant, India's minister of defence, completed his official visit of friendship to Bulgaria, which he paid at the invitation of his Bulgarian counterpart, Army General Dobri Dzhurov.

Today the Indian minister was received by Mr Georgi Atanasov, chairman of the Council of Ministers. They considered matters of international politics as well as questions concerning the relations between Bulgaria and India.

The sides emphasized that the current international situation is witnessing a transition from confrontation to cooperation and a desire to settle conflicts by political means. Discussing bilateral relations, the officials pointed to their vigorous progress and expressed the confidence that the forthcoming session of the Bulgaro-Indian Commission for Economic and Techno-Scientific Cooperation will identify fresh opportunities for wider economic interaction.

The Indian minister also conferred with Mr Andrey Lukanov, minister of foreign economic relations, and with Mr Ognyan Doynov, president of the Heavy Engineering Association.

Argentina's CP Leader Fava Arrives
AU1610190988 Sofia Domestic Service in Bulgarian
1830 GMT 16 Oct 88

[Text] Athos Fava, general secretary of the Central Committee of the Communist Party of Argentina, arrived on 16 October in Bulgaria at the invitation of the BCP Central Committee. At Sofia airport he was greeted by Comrades Milko Balev and Dimitur Stanishev.

Mladenov Speech on World Relations at UNGA
AU1210173988 Sofia RABOTNICHESKO DELO in Bulgarian 6 Oct 88 p 5

[Speech of Petur Mladenov, member of the BCP Central Committee Politburo and Bulgarian minister of foreign affairs, delivered on 5 October at the 43d session of the UN General Assembly in New York]

[Text] Mr Chairman,

I greet you on your election to this distinguished post. I am convinced that under your leadership the General Assembly will achieve significant results which will further strengthen our organization's authority. I would like to note the excellent work of your predecessor, Dr Peter Florin, in this post.

Mr Chairman,

Every regular UN General Assembly session begins with a balance. The speeches of all speakers at the current 43d session contained the same questions, asked in various forms: What is happening in the world? Are we able to eliminate the nuclear threat and put an end to the conflicts? Are we firmly marching along the road of strengthening peace and security?

It is difficult to answer these questions in a uniform manner, nevertheless the facts speak for themselves: Yes, there are changes. The world is changing for the better. A qualitatively new situation has emerged. It does not figure in the traditional notions of the "balance of power," "two camps," "class struggle," and other "power" concepts. Where is the difference? Mainly in the fact that for the first time in history mankind has begun to be viewed as a single entity, united in the common striving to survive and continue its development along the road of progress and civilization.

The change in USSR-U.S. relations from confrontation to dialogue, the increased positive contribution of the Movement of the Nonaligned Countries to world affairs, and the active influence of the public on international politics—these are just some examples of the changes taking place in the world.

These changes are not an accident. They are being prompted by the comprehensive process of world development—the process of the growing self-awareness of mankind merged with the processes of restructuring and renewal in the socialist countries. The scientific-technical revolution, the increased role of the democratic and moral factors in public life, and the general increase in the peoples' political culture has contributed to the emergence of a new approach toward the issues of human coexistence.

The philosophy of the new political thinking has appeared. Its essence is in giving priority to the universal values at the expense of bloc and ideological considerations. It has marked the beginning of a new diplomacy, based on the search for sensible and mutually acceptable solutions to international problems. A broad worldwide consensus about the necessity of a comprehensive approach toward security issues has emerged. It notes the military-political aspects of security, as well as its economic, humanitarian, ecological, and other components.

In his greetings message to the 80th Conference of the Interparliamentary Union, which ended 3 weeks ago in Sofia, Todor Zhivkov, general secretary of the BCP Central Committee and State Council chairman, said:

"The new realities of our world require people to engage in new practical actions. The threat of ecological disasters and economic backwardness, mass diseases, and the horrifying infant mortality rate, as well as growing illiteracy—these are all global problems that can be resolved solely with the joint efforts of mankind, along the path of a resolute restructuring in international relations on the basis of well-balanced interests."

The striving of the world public to break away from the closed circle of military rivalry and power struggles, and achieve security by political means and asserting the primacy of international law, is finding an ever growing expression in the new understanding of the UN worldwide role.

Bulgaria has always attributed a great importance to increasing the UN role and efficiency. Together with other countries it supports the development of the organization into a real and active mechanism of maintaining world peace and security, developing international cooperation, and solving conflicts. We support the wish, expressed from this rostrum, to renew the methods and perfect the work of the General Assembly and the Security Council, aimed at better utilizing our organization's peace potential. Our country will further contribute to the UN diverse and noble activity. Today we would like to especially note the merits of the United Nations in solving many international disputes, and particularly, the role of the general secretary, the esteemed Mr Perez de Cuellar.

Indeed, the positive changes can be observed along the entire spectrum of world and regional problems. Everywhere, albeit slowly and unevenly, a new situation is emerging which facilitates the solving of these problems on a collective basis. Despite the fact that one should not use the same criteria in evaluating the conditions in the various parts of the world, a universal striving for new roads toward achieving national and regional agreements under the influence of the world public is evident.

The Geneva accords on Afghanistan became a landmark in the struggle for improving the international climate. Strictly observing these accords is the only guarantee of restoring peace in the country and the region. We express our solidarity with the efforts of the Government of the Republic of Afghanistan to overcome the crisis by democratic means.

We greet with satisfaction the cease-fire in the Iraqi-Iranian conflict. As a state, which took part in working out and adopting Security Council Resolution 598, we are supporting the peace process and the UN mediation.

The knot of problems in the Middle East region has not been untangled yet. The struggle of the Palestinian people for freedom and self-determination is continuing. The almost total agreement regarding the convocation of an international conference on this issue is a positive factor. We think that such a conference must take place on the basis of the existing UN resolutions, with the participation of all interested countries, including the five permanent members of the UN Security Council and the PLO as the only legal representative of the Palestinian Arabs.

A multilateral dialogue on the issues of the southern part of Africa is under way. We hope that the decisions of the world organizations will finally be implemented: Angola and the other states in the region must obtain the long-awaited peace and Namibia its independence, while the system of apartheid must be eliminated.

Bulgaria sees a great positive substance in the policy of national reconciliation, proclaimed by Cambodia. We rejoice at the prospects which have emerged, and which have been facilitated by the efforts of Vietnam and the other peace-loving countries.

We greet the DPRK policy, aimed at uniting the country in a peaceful and democratic manner, demilitarizing the peninsula, and turning it into a nuclear-free zone.

We support the consistent efforts of the Government of Nicaragua and the other Latin American countries, aimed at peacefully solving the region's problems through a dialogue, while strictly observing the principles of the UN Charter.

We are closely following the development of the Cypriot issue. Certain progress is evident in the Cypriot situation. We would like to believe that this hotbed of tension will finally be eliminated by political means with UN assistance.

Mr Chairman,

Naturally, it is impossible to achieve a total harmony between the opposing countries and forces. However, the opponents must rethink their contradictions from positions of a greater realism and adopt sensible compromises, from which all sides will benefit. From this point of view we think that the sides of the conflicts must listen more closely to the collective wisdom of the world public. This is so because only the world public has the right to determine the norms of international coexistence. In all cases, the recognition of the free choice of every people is an unconditional demand of the peace process. Without the implementation of this right it would be impossible to eliminate the conflicts and achieve a just and lasting peace.

It is well known that Bulgaria is situated in the Balkans—a region with a complex and difficult historical fate. Therefore we sincerely rejoice at the steps toward detente and cooperation adopted by the Balkan countries. They correspond with the spirit of our time and the aspirations of the Balkan peoples.

The germs of the new political thinking in the Balkans clearly emerged at the Belgrade meeting of the Balkan countries' ministers of foreign affairs. It took place in a constructive and businesslike atmosphere. All of us who participated in the meeting strived to find a common language and stressed the common interests and not the contradictions and separate claims. We highly evaluate both the very fact of convening the forum and the all-Balkan process initiated by it.

The Balkan direction of its foreign policy has a primary importance for Bulgaria. Since 1981 we have developed and implemented a complex of measures and initiatives aimed at strengthening good-neighborly relations and improving the general atmosphere in the region. Regardless of the trials, which we have encountered along our way, cooperation, peace, and security in the Balkans have always been the steady goal of our policy.

Led by this goal, we shall further cooperate with all Balkan countries on a broad and equal basis. In this area we shall be guided by the legitimate interests of the states, the historical realities, and the peaceful orders of our time. We think that turning the peninsula into a zone free of weapons of mass destruction would be of crucial importance in the chain of common peaceful efforts. This will undoubtedly facilitate a decrease of confrontation, suspicion, and hostility in a much broader geostrategic parameter.

Mr Chairman,

I would like to point out with satisfaction that the discussion of the numerous and pressing issues of disarmament is taking place under the favorable influence of the new political thinking. The image of the "enemy," who is preparing a sinister nuclear strike or an attack with conventional weapons, is gradually being replaced by the image of the normal man, sincerely concerned with his own security. The striving to understand the interlocutor, his manner of thinking, and his concerns is evident. There can be no doubt that for the time being we can neither eliminate all remnants of the past nor overcome all stereotypes. However, purging the dialogue of futile rhetoric and propaganda clichés, a process which has already begun, is an important precondition of strengthening mutual understanding.

Signing an agreement on reducing the U.S. and USSR strategic strike weapons by half is the most important task today. This must become a turning point stage in achieving a strategic stability by the end of the century and fully eliminating the nuclear arsenals.

Progress has also been made in the area of bilaterally stopping the nuclear tests. The total ban of chemical weapons is becoming a realistic goal, which could be achieved in the near future. It is appropriate to recall that while the USSR-U.S. talks are the "main driving force" of the process of disarmament, it is necessary to give this process a multilateral character. Nobody can escape responsibility.

We believe that decreasing the level of military confrontation between the Warsaw Pact and NATO, which objectively began with the INF Treaty, will continue as a

result of the talks on reducing armed forces and conventional weapons in Europe. The July declaration of the Warsaw Pact Political Consultative Committee stresses that the goal of these talks is to achieve a radical reduction of the military potential of the two alliances and create a situation on the continent which will leave the alliances with forces and means necessary for purposes of defense, but insufficient for implementing a surprising strike or conducting aggressive operations. This reduction must be accompanied by the respective reduction of military expenditures. The functions and tasks of these forces must be determined by nonaggressive defensive military doctrines, based on the principle of sensible sufficiency.

At the same time, one can easily see that the successes of disarmament in certain areas are accompanied by a unique concentration of forces in other areas. Naval weapons remain for the time being a taboo zone for the disarmament efforts. This insistently requires adopting political decisions on reducing naval forces, while taking mutual interests into consideration. For several years already, Bulgaria is appealing to have similar decisions adopted, and is making efforts in this area. As a first step it would be purposeful to discuss and adopt measures on strengthening confidence in the oceans and sea routes.

The issues of verification, glasnost, and predictability in the military area acquire ever growing importance under the present conditions. The creation of a comprehensive UN control mechanism, proposed by many countries, including Bulgaria, would facilitate the implementation of adequate control not only over reducing weapons, but also over regional conflicts, with a view to eliminating them.

Space, as well as earth, must be free of weapons. Broad international cooperation in using space for peaceful goals, and not space weapons, will help us assert confidence and remove the threat of a nuclear war.

An especially important aspect of disarmament is its linkage with development. Reducing the military potential creates real conditions of mobilizing vital resources for overcoming the backwardness and advancing along the road of social and economic progress.

Mr Chairman,

The growing recognition of global mutual dependence, the positive trends in the regions, and the normalization in East-West relations gives us a reason to also expect favorable changes in the area of international economic relations. The restructuring of these relations on a democratic and just basis is a pressing need. The economic situation in the developing countries, and particularly the burden of their debts, is a serious problem for the entire world public. The just solution of this problem requires the united efforts of the international public, while obligatorily taking into consideration the interests and specific conditions of the countries-debtors and the basic goals of their socioeconomic development. The United Nations can and must contribute to solving this issue.

The establishment of official relations between the EEC and CEMA is an important and positive event. Developing relations between these organizations on a mutually beneficial basis will give a strong impetus to peaceful coexistence in Europe and the world. Bulgaria will make its contribution to developing this cooperation in the name of the nations' security and prosperity.

The common interests of all states and nations are clearly reflected in the problem of protecting environment. Economic activity which does not take ecological factors into consideration is destroying nature in the same manner as the arms race and military conflicts. The world is suffocating in chemical fumes, the soil is deteriorating, the climate is changing for the worst, and flora and fauna are disappearing. Life insistently requires collective efforts on the part of all countries and nations. Really guaranteeing international ecological security must become a central direction of the activity of the United Natio ns, which has already done much for protecting environment. The report of the Bruntlandt Commission, whose ideas have a fundamental importance in protecting nature and human environment, made a concrete contribution in this aspect.

In accordance with its principled position Bulgaria supports the coordination of broad environmental protection measures on regional and subregional levels. Our initiative to conclude a treaty on the ecological defense of the Balkan Peninsula, as well as the proposal to convene an ecological forum in Sofia within the framework of the all-European process, are well-known. A broad spectrum of practical measures in this area in being actively developed in Bulgaria.

Mr Chairman,

The pressing issues of peace, security, and cooperation are merging in a unique manner in the European arena. The unconventional and innovative views are constantly clashing in Europe with the canons of obsolete thinking. The attempts to perpetuate the division of the continent on a bloc basis are continuing. Simultaneously, the favorable idea of the "common European home" has emerged. This idea is a concept of the historical, cultural-political, and economic community of the European countries, the United States, and Canada.

Overcoming the dogmas of the past is a difficult process, but its existence is a fact. The Vienna meeting of the CSCE participating countries is entering its decisive stage. It is our hope that it will assert new dynamics in the process of mutually beneficial and equal cooperation in Europe.

The topical problems of international life and their correlation are being intensively discussed at various international forums. This is a new and still undeveloped methodology; however, it fully correspondents to the spirit of our time. The sociohumanitarian problems are strongly emerging against the background of this discussion.

Some 40 years ago the United Nations adopted a general declaration on human rights. This was the first step in creating the existing solid international law basis of cooperating in sociohumanitarian issues. Today there are almost no states which remain aside from the world consensus in this area. This is absolutely logical. The human personality itself is turning into a universal asset, target of development, and center of attention of the world states' internal and foreign policies. Creating comprehensive conditions for its free, dignified, and creative existence is not the indulgence of the state, but its primary obligation and a condition of the development of society and civilization in general.

Bulgaria greets the increasing UN role in the sociohumanitarian area. It will facilitate the democratization of international relations and the creation of moral guarantees of peace and security.

The noted social figure and humanist Aurelio Pecei said that the present stage of the evolution requires people to finally stop peeking into the future and begin to create it. Objectivity requires from us to say that we are only at the beginning of the long road toward demilitarizing and humanizing international life. We know that it is necessary to change many other things, including we ourselves, if we are to turn the progress toward a nonviolent world into a irreversible process and successfully construct a new global international order, under which every state, nation, and man can feel confident in their future.

We cannot imagine another road of development.

Thank you for your attention.

Stoichkov Dismisses Rumors of Food Price Rises

AU1410192788 Sofia BTA in English
1845 GMT 14 Oct 88

["No Rise of Prices in Bulgaria"—BTA headline]

[Text] Sofia, October 14 (BTA)—In connection with questions posed in relation to possible forthcoming rises in prices, a representative of the BTA met with Mr Grigor Stoichkov, deputy chairman of the Council of Ministers, who said:

There will not be any rise in the prices of foods and other goods, with the exception of some newspaper and magazine prices. It is true that this year, as a result of the unfavourable climatic conditions, the planned quantities of sunflower, potatoes, beans, rice and some others have not been produced, but the government has taken all the necessary measures, import included, in due time for regular supply of the market.

I want to emphasise that there are no reasons for worries, said Mr Grigor Stoichkov. Bulgaria's economy is undergoing successful development and, despite the difficulties, the provision of the market's needs has been secured. This can be also seen in the results of the fulfilment of the plan for this country's socioeconomic development during the nine months of this year, stressed the deputy chairman of the Council of Ministers.

John Whitehead Meets With Foreign Minister

AU1710142588 Prague RUDE PRAVO in Czech 15 Oct 88 p 1

[CTK report: "On the Development of CSSR-U.S. Relations"]

[Excerpt] Prague—[Passage omitted] John Whitehead, U.S. deputy secretary of state, was received by Jaromir Johanes, CSSR minister of foreign affairs, on Friday [14 October].

The two representatives assessed the state of relations between the CSSR and the United States and the possibilities of further developing them. They also exchanged views on some aspects of the current international situation.

'Pretext' of Human Rights as Trade Incentive

LD1810093088 Prague International Service in English 1900 GMT 17 Oct 88

[Text] Yesterday, U.S. Deputy Secretary of State John Whitehead ended his brief visit to Czechoslovakia. Its outcome is fairly positive. His talks with Czechoslovak officials showed that particularly in past few months not only the contents of the political dialogue between our two countries had improved but also the agreement on the exchange of scientists in various spheres had become more effective. Yet Mr Whitehead would not stand away from his usual sermonizing which spoiled a bit our impressions from his visit. More about in the following comment:

One of the key issues discussed in Prague was economic cooperation between Czechoslovakia and the United States, about the need to widen mutual trade and the question of participation of some U.S. firms in Czechoslovak investment projects. Czechoslovakia would only welcome a detente in the economic sphere based on mutual benefit. Such detente, though, depends on whether the United States grants Czechoslovakia the most-favored-nation treatment which does away with customs barriers in mutual trading. And there in lies the core of the problem.

The United States makes that status contingent on what it calls democratization in Czechoslovakia. According to Mr Whitehead, Czechoslovakia must change its heart on human rights, to ensure the freedom of expression, halt the alleged reprisals against the church, and so on. The U.S. Administration naturally can have its own opinion about this just like the Czechoslovak leadership can have its own on the observance of human rights in the United States. But unlike Washington, Prague does not link this sphere with mutual economic relations. The United States is doing so quite openly.

A question arises: Are really only human rights at stake? Or is it a pretext for an economic pressure and for interference in Czechoslovakia's internal affairs?

Further on Visit of PRC's Yao Yilin, Delegation

Meets With Urban on Cooperation

LD1710211188 Prague CTK in English 2003 GMT 13 Oct 88

[Text] Prague Oct 17 (CTK)—Czechoslovak and Chinese delegations, led by First Deputy Premier and Chairman of the State Planning Commission Bohumil Urban, and Communist Party Politburo member, Deputy Premier and State Planning Commission Chairman Yao Yilin respectively, met here for final discussions today.

The two sides said that bilateral economic relations are improving and that there are good prerequisites for their further development.

They dealt with the questions of deepening the economic, scientific and technological cooperation between the two countries in 1991-95 and expanding contacts between the two countries' planning bodies in the new conditions of economic reforms.

Czechoslovak officials briefed the guests on further possibilities of the expansion of cooperation in power, car, textile and coal industries and in other branches. They pointed out the possibilities of the opening of the Czechoslovak market for China's consumer goods, food and engineering products. The Chinese side welcomed the prospect of this cooperation.

The two countries' central planning bodies will continue to exchange information on the further development of economy and ways of planning in the new conditions of economy and management.

Tours South Moravia Region

LD1510195488 Prague CTK in English 1406 GMT 15 Oct 88

[Text] Brno Oct 15 (CTK)—The visiting Chinese Government delegation, led by Communist Party Politburo Standing Committee member, Deputy Premier and Chairman of the State Planning Comission Yao Yilin, spent today in the South Moravian region.

The guests inspected the aircraft factory Let in Unherske Hradiste—Kunovice. They were acquainted with its production program of small planes.

They went on to the cooperative farm Agrocombine Slusovice which is preparing to sign an agreement on cooperation with the Sino-Czechoslovak friendship farm in the Chinese province of Hebei. Experts from Slusovice will inform their Chinese colleagues about maize growing technology and machines and demonstrate them on an area of 500 hectares. The two farms are also negotiating the manufacture of underwear and clothing.

The Chinese delegation is expected in Bratislava tonight.

Meets Knotek in Bratislava

LD1610091588 Prague Television Service in Slovak 1830 GMT 15 Oct 88

[Text] The PRC Government delegation headed by Yao Yilin, vice premier of the State Council, was received today in Bratislava by Ivan Knotek, the Slovak premier. In a cordial and friendly talk, the two officials briefed each other on current new approaches by party and state bodies to fulfilling the tasks of speeding up socioeconomic development in both countries. They praised the fact that relations are continuing to develop, and stressed the need to apply more effective forms of cooperation in the economy, science, technology, and in other spheres in the future.

Received by Ademec

LD1710135788 Prague Domestic Service in Slovak 1300 GMT 17 Oct 88

[Text] Ladislav Adamec, member of the CPCZ Central Committee Presidium and federal premier, received in the Hrzan Palace in Prague today a Chinese Government delegation headed by Yao Yilin, member of the Standing Committee of the CPC Central Committee Politburo, vice premier, and chairman of the State Planning Commission.

The two sides examined the standard of and future prospects for Czechoslovak-Chinese cooperation. Concerning the results of the 10th CPCZ Central Committee session, Ladislav Adamec spoke about the new federal government's tasks. He also put forward specific proposals for broadening economic cooperation with China, above all in the power and machine building industries. He stressed the need to assert modern forms of cooperation including cooperation in third markets. He offered Czechoslovak participation in the reconstruction and modernization of Chinese enterprises.

Yao Yilin conveyed congratulations to Ladislav Adamec from Peng, premier of the PRC State Council, on his appointment.

Holds Talks With Jakes

LD1710161588 Prague Domestic Service in Slovak 1500 GMT 17 Oct 88

[Text] In Prague today Milos Jakes, general secretary of the CPCZ Central Committee, and Ladislav Adamec, member of the CPCZ Central Committee Presidium and federal premier, received Yao Yilin, member of the CPC Central Committee Politburo Standing Committee, vice premier, and chairman of the State Planning Commission. Yao Yilin is heading the Chinese delegation which is now on a working visit to Czechoslovakia.

The two representatives positively assessed the standard of relations attained so far, the intensity and all-round character of the contacts between the two parties and countries, and called for their further advancement. They noted that is is in the two countries' joint interest to begin the long-term coordination of commercial and economic cooperation between the CSSR and the PRC, and to further improve their forms.

They informed each other about the plans for and the course of economic reform in the two countries. They emphasized the usefulness of the exchange of experiences.

Milos Jakes acquainted the guest with the main directions of the party's policy implementing the line of the 17th CPCZ Congress for accelerating socioeconomic development, informed him about the conclusions of the 10th CPCZ Central Committee session, and told him about the important decisions made toward the practical implementation of restructuring which were adopted at this session.

Comrade Yao Yilin spoke about the Chinese leadership's plans in the current stage of the country's economic and political advancement.

Zhou Nan Meets With Johanes

LD1410224188 Prague CTK in English 1714 GMT 14 Oct 88

[Text] Prague Oct 14 (CTK)—Czechoslovak Foreign Minister Jaromir Johanes received here today Chinese Deputy Foreign Minister Zhou Nan, who accompanies Communist Party Politburo Standing Committee member, Deputy Premier and Chairman of the State Planning Commission Yao Yilin during his vist to Czechoslovakia.

The two representatives exchanged opinions on topical international issues, especially the problems of disarmament and the strengthening of peace and security in the world. They also discussed the state and prospects for Czechoslovak-Chinese cooperation. They stated that this year's visits of Czechoslovak Communist Party General Secretary Milos Jakes and President Gustav Husak to China and their successful talks with the highest Chinese representatives have increased the basis for the further development of relations between the two countries in all spheres.

New Dissident Group Founded, To Seek Democracy

AU1810072588 Paris AFP in English 0304 GMT 18 Oct 88

[Text] Prague, Oct 18 (AFP)—Czechoslovak intellectuals, most of them members of the opposition group Charter 77, on Monday announced the formation of a new dissident group, the Movement for Civic Liberty (HOS).

In a statement released in the country's three main cities, Prague Bratislava and Brno, the founders said the "time is ripe for truly political work" of the kind that could not be undertaken by Charter 77, which they said was a human rights watchdog.

"We can wait no longer ... The current government is preparing some partial reforms. But it is incapable of shaking off its own totalitarian shadow.

"We appeal to all our fellow citizens to embark on the course we propose, in such ways as they judge the most appropriate, to realise democracy in our country," the statement said.

The group put out a manifesto, titled "Democracy for All", calling for changes in the political system, the abolition of censorship, freedom of religion, free trade unions, independent publishers, scaling down the military and "overcoming the vestiges of Stalinist imperialist policy" in Europe.

Trade Official Discusses Law on Joint Enterprises

AU1210132088 Prague RUDE PRAVO in Czech 11 Oct 88 p 4

[Interview with Jiri Nemec, deputy minister of foreign trade, by Vaclav Marek: "Foreign Ownership Share in Czechoslovak Enterprises"; date and place not given; opening paragraph is RUDE PRAVO introduction]

[Text] The draft of a new law on enterprises with partial foreign ownership, which is to be discussed by the Federal Assembly, has been met with a great response by our readers. Some of them have asked our editorial office to provide additional information. We have therefore asked Jiri Nemec, CSSR deputy minister of foreign trade, for some details of the law now being prepared.

[Marek] Why, in fact, is a new law in the making? A number of enterprises with partial foreign ownership have already been established, and all operate without the existence of such a law.

[Nemec] So far we have really not had coherent legislation governing the conditions for the founding and operation of enterprises of this type, although some already exist. However, it has been necessary to deal with their status individually, by making various exemptions from currently valid regulations, which has not been conducive to their founding and development. The importance of the law rests, inter alia, in the fact that it applies to partial foreign ownership from both socialist and nonsocialist countries.

[Marek] What has given rise to most debate is the fact that, according to the draft law, the Czechoslovak participant is not required to have at least a 51 percent stake in an enterprise with partial foreign ownership. Many readers make no secret of their concern whether, given these conditions, it will be possible to regulate the operation of such an enterprise so that it does not conflict with national interests.

[Nemec] It is true that the principle of a majority stake is not enshrined in the draft of the law. Experiences from other socialist states demonstrate that the enforcement of this principle in practice causes numerous yet needless difficulties. It must be realized that, at any rate, an enterprise with a foreign stake in its ownership will be a Czechoslovak organization run according to our legal provisions, the establishment of which will require the approval of the relevant central agency of state administration, depending on the subject of its business. Before issuing a permit, this agency will be obliged to consider whether the enterprise in question will contribute to the development of the CSSR national economy and whether it will properly carry out its economic activity. Furthermore, the law as it is being proposed directly charges the central agency with taking into account the contemplated share of the Czechoslovak and foreign participant in the capital stock of the enterprise. In other words, it is fully within the competence of the relevant central agency to evaluate all circumstances connected with the establishment of such an enterprise. The proposed version furnishes it with a wide scope for this, including the possibility of approving the establishment of an enterprise in which the foreign participant has a majority stake.

I would like to stress that the created scope for the state agency with regard to the approval of specific enterprises also entails this agency's greater responsibility for its decision. Moreover, we must not forget that the law also applies to the participation of socialist states. One can also conceive of a situation in which more than two foreign participants are involved in the establishment of such an enterprise.

[Marek] In addition, however, the law provides these enterprises with formidable economic independence, which the central agency that approved the establishment of such an enterprise can no longer influence.

[Nemec] The aforementioned enterprises will enjoy great economic freedom. No mandatory tasks of the state plan will be set for them, and they will be given the opportunity to operate in all spheres of the economy, with the exception of branches that are important for the defense and security of the state. As in any other country, however, these enterprises will operate in our economic environment, using our prices, our regulations, and so forth. They will operate exclusively on a contractual basis—that is, on the basis of agreement between supplier and user. The way in which an enterprise behaves depends primarily on the surrounding economic environment.

[Marek] It has been said that the draft law stipulates that the foreign participant will be able to transfer his profits abroad and that an enterprise with a foreign stake in its ownership will not have to offer foreign exchange to the Czechoslovak State Bank for purchase. Some readers ask what sort of benefit we will receive from such an enterprise, given these circumstances.

[Nemec] The draft law really foresees that the enterprise can open an account not only with a Czechoslovak bank but also with a foreign bank, and that the foreign participant can transfer his operating profits abroad. However, it can do so under one condition—the transfer of profits is possible only from the retained foreign exchange earnings of the enterprise. This condition should orientate these enterprises toward exporting.

This does not mean, however, that only the foreign participant will benefit from its business. Like any other enterprise, the mixed enterprise will have to pay from its revenues taxes set by the law and appropriate resources for the contingency reserve fund, the fund of cultural and social needs, the remuneration fund, and the development fund. Only the outstanding balance represents net profit, which will be distributed between the Czechoslovak and foreign participants according to their share of the capital stock.

[Marek] Do you think that the new law will facilitate the formation of enterprises with a foreign stake in their ownership?

[Nemec] The draft law has attracted the interest of foreign firms. However, capital does not flow to countries with the best legislation, but rather to those with the highest profits. The economic conditions which foreign firms will find in Czechoslovakia will therefore be decisive for the development of such enterprises.

The significance of enterprises with a foreign stake in their ownership cannot be underestimated. The main purpose of the establishment of such enterprises is support for and the development of production forces in the Czechoslovak national economy through the use of this higher form of cooperation. On the other hand, it needs to be stressed that joint ventures will only be a supplementary form in the Czechoslovak economy.

[Marek] Thank you for the interview.

Slovak CC Meeting Begins 17 Oct, Views Ideology

LD1710211388 Prague CTK in English 1949 GMT 17 Oct 88

[Text] Bratislava Oct 17 (CTK)—A two-day session of the Slovak Communist Party Central Committee started here today discussing a report of the party Presidium on the tasks of ideological work in conditions of restructuring in Slovakia.

The report, delivered by Slovak Communist Party Presidium member and Central Committee Secretary Gejza Slapka, reviewed the level and results of the party's ideological work since the 15th session of the Czechoslovak Communist Party in April 1980 and laid down tasks of ideological activities in restructuring the economic mechanism. The report stressed the need for the transition from extensive to intensive development, and for all national sources to be actively used to increase the efficiency of the whole Czechoslovak economy.

In connection with the deepening of socialist democracy, Gejza Slapka spoke also about some aspects of church policy. He appreciated the work of the believers in developing the socialist homeland but also mentioned extremist forces which try to use the church and religion for attacks on socialism. He stressed "we are not avoiding any serious question in the sphere of church policy, which does not mean that acts directed against the interests of the people, including believers, will be idly looked upon".

The report stressed that tasks discussed at the 10th session of the Czechoslovak Communist Party Central Committee last week will be further elaborated and carried out in conditions of party work in Slovakia.

New West Bohemian Party Leader Elected

LD1410105088 Prague Domestic Service in Czech 2030 GMT 13 Oct 88

[Text] Today Karel Urbanek, member of the CPCZ Central Committee Presidium and chairman of the committee for party work in the Czech SR, attended a session of the West Bohemian regional party committee in Zihle. He discussed the main ideas of the 10th session of the party Central Committee. He also explained the status and role of the committee for party work in the Czech SR. Its task, he noted, is to assess and influence political, cadre, economic, social, and cultural matters in the Czech SR. This is not the formation of a new party machine [aparat], he emphasized; it is simply a matter of singling out certain members of the existing party Central Committee for this particular job.

On the authority of the Presidium of the party Central Committee, Karel Urbanek also tabled a motion for releasing Josef Mevald from his posts in the West Bohemian regional party committee, at the same time moving that Jaroslav Kopacek be elected leading secretary of the West Bohemian regional party committee. The session unanimously passed both motions.

Honecker Honored at Madrid Award Ceremony

AU0610121388 East Berlin NEUES DEUTSCHLAND in German 4 Oct 88 pp 1,2

[Report by correspondents Werner Micke, Reiner Oschmann, and Guenter Stechow: "Gold Medal of Honor Awarded; High Honor to Life and Work of the GDR Head of State"]

[Excerpts] Madrid—On Monday evening [3 October] Spain's largest university, the Universidad Complutense in Madrid, awarded Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, the Gold Medal of Honor. Rector Gustavo Villapalos presented the GDR head of state with the award during an academic ceremony in the auditorium maximum of the university. [passage omitted]

The laudatory speech was read by Deputy Rector Bustos Tovar, paying tribute to the life and work of the state guest. [passage omitted]

In his response Erich Honecker expressed cordial thanks for the invitation to this venerable university with its rich traditions, and for the high honor accorded to him. Being awarded the Gold Medal of the largest Spanish university, which is one of the oldest universities in Europe with its more than 500 years of history, is a great pleasure for him, Honecker noted. For centuries this alma mater has participated in shaping Spain's development. It has always been closely linked to Spain's spirit of discovery and invention, to which the world owes very much, he said, stressing that he feels profound allegiance to the ideals of humanism and peace, which were the basis of the rector's words. No matter how different the tasks of scientists and politicians may be, they have the common responsibility to make sure that the results of research are exclusively used for the welfare of the people. Scientific and social responsibility cannot be separated. Scientific progress makes man's creative spirit and actions advance into ever newer spheres.

In this connection, Erich Honecker referred to space research, the development of biotechnology and genetic engineering, and the automation of entire industrial processes. At the same time science and politics are also confronted to an unprecedented extent with a great number of global problems, such as underdevelopment, danger to the environment, and disease. "However, the greatest challenge that we are jointly facing at present is to prevent mankind from perishing in a nuclear inferno and to preserve peace on our planet forever," he said. It is proof of the scientists' farsightedness, their humanistic spirit, and their feeling of responsibility that one of their most outstanding representatives, the great German physicist Albert Einstein, predicted a fundamental change in the world through the nuclear bomb. Einstein stated that a new way of thinking is indispensable if mankind is to survive and to develop further.

Hope and confidence are engendered by the fact that now this insight is increasingly gaining ground in the actions of responsible politicians. The elimination of U.S. and Soviet intermediate-range nuclear weapons that has been started is eloquent proof of the fact that with good will, realism, and reason it is possible to change things in the world for the better. "It is possible to banish the scourge of war forever from peoples' lives and to make progress with disarmament, detente, and cooperation," Erich Honecker stressed. The GDR is working with all its strength for this noble goal, mindful of the bitter lessons of German and European history. The things achieved by the industriousness and creativity of the peoples of Spain and of the GDR are to be used for the benefit of the people. Never again must they be annihilated by the flames of war. The supreme command for both politicians and scientists should be to make sure that peace is stronger than war. Only in peace can the fruitful cooperation between the peoples that also serves progress flourish.

Exemplary Relations [subhead]

Over the past few years the relations between the GDR and the Kingdom of Spain have deepened in all fields, including science and research, Erich Honecker stressed. A contribution to this has been made by the contacts between the Madrid Complutense University and the Berlin Humboldt University, which have been in existence on a contractual basis since 1983 and which are considered exemplary. This particularly applies to the fields of Romanics, Germanics, and mathematics. Joint scientific work has been done to produce a dictionary of basic Spanish terms, which is to be followed by other textbooks and dictionaries. The exchange of scientists and students, which is currently developing, not only contributes to the deepening of knowledge in one's specific subject and of human relations but, in terms of its importance, goes far beyond the academic field.

Erich Honecker stressed that his talks with the leading representatives of Spain have been characterized by the joint conviction that—proceeding from what has already been achieved—more should be done in bilateral relations. This could make a contribution to stability and predictability in Europe, and to the improvement of the international climate.

In the GDR, science and research are greatly appreciated, Honecker said. Proceeding from present and future requirements, overall education for everyone, regardless of social origins and ideology, the promotion of special talents and interests, and the purposeful development of top-level scientific achievements are determining the education policy of the GDR. With their important results its scientists are contributing to the high increase in performance in the national economy, to developing modern productive forces, and to enriching intellectual-cultural life.

To maintain and expand the GDR's position among the modern industrial state requires the further guaranteeing of the process of dynamic development of the national economy on the basis of mastering the scientific-technological revolution, Erich Honecker noted. This, above all, yields the efficiency and the economic benefit which the GDR needs in order to continue its tested policy, which is aimed at making economic growth have a direct effect by raising the citizens' material and cultural standard of living.

Erich Honecker wished all professors, lecturers, and students much success for the new school year, good health, and well-being.

At the end of the festive ceremony the song "Gaudeamus Igitur" was played and sung by a university choir.

Fischer Speech at UN General Assembly Reported
AU1410152188 East Berlin NEUES DEUTSCHLAND in German 12 Oct 88 p 5

[ND article: "The Supreme Human Right is the Right to Live in Peace—Oskar Fischer Statement on Principle at the 43d UN General Assembly"]

[Text] Mr President,

I congratulate you on your election as president of the 43d UN General Assembly and wish you success.

You represent a country with which the GDR maintains friendly relations and the peace work of which is highly appreciated.
Esteemed delegates,

The people are right to note with satisfaction and relief the encouraging changes in international events. Tensions and confrontation have diminished, and a good trend has been set in motion. For the first time in history, real disarmament has begun in one sphere.

The world is witnessing with relief the destruction of the most modern nuclear weapons, as a result of the treaty concluded between the Soviet Union and the United States. It enhances the confidence that political common sense and responsibility, as well as the realization that the world which has been changed through the existence of nuclear weapons of mass-destruction can overcome the old way of thinking and acting, which was dictated by deterrence and the risks inherent in it.

Political dialogue has been revived and has brought encouraging results; efforts for the peaceful settlement of complicated and lengthy regional conflicts which required many sacrifices have received a clear impetus, and for the first time solutions are in sight.

These processes—which are, however, only the beginning of a change for the better—broaden the United Nations' opportunities for action.

All this indicates that the efforts toward detente and disarmament are worthwhile, and that a change for the better can be achieved. "With its predictable and constructive policy, the GDR has contributed many initiatives to the recent encouraging development," stressed Erich Honecker, its supreme representative, during his recent visit to the Soviet Union. "Regarding the future, we are particularly interested in ensuring peace, giving up confrontation in international relations, and moving toward cooperation."

Additional Results in the Dialogue on Disarmament Are Necessary [subhead]

Mr President, it is realistic to state that the situation in the world is still complicated and contradictory. Mountains of weapons, both nuclear and conventional, are growing, nuclear weapons tests are being continued, and new types of weapons are being tested and produced. Plans to militarize space have not been given up. Worldwide arms spending currently amounts to a sum that corresponds to the material damage caused by the two world wars.

Many problems, such as hunger, disease, illiteracy, the destruction of the environment, and underdevelopment are increasingly becoming issues that threaten mankind. Global catastrophes—both military, economic, ecological, or otherwise—remain possible as long as the means of preventing them are sacrificed for arms profits. We, too, hold the view that, not only must there now be no pause in disarmament negotiations, but further results are necessary, because this is the only way to release the immense resources which could help solve or at least alleviate mankind's global problems.

More than 30 years ago, when cold war drove the world to the verge of hot war, Bertrand Russell and Albert Einstein called for the founding of the Pugwash movement:

"We must learn to think in a new way; we must learn not to ask what steps must be made to win a military victory for the camp to which we belong, because such steps do not exist any more; we must, much rather, ask another question: What steps could be made to prevent a military conflict, which is bound to lead to a catastrophe for all those who take part in it?"

Since then, many people have adopted these realizations.

It is true: In the nuclear age, force, war, and confrontation have become inappropriate as means of politics. Security can no longer be based on mountains of weapons and mutual deterrence; deterrence means perpetuation of the arms race—otherwise it would not be credible. Deterrence puts its stakes on fear and furthers distrust; however, deterrence can fail, not only in the case of irrational action, but also because it is increasingly difficult for man to control the highly technical weapons systems.

The alternative is security which puts its stakes on political, economic, cultural, and humanitarian cooperation involving the purposeful reduction of the military factor. Thus, from the community based on risk that, like it or not, the international community represents today, a conscious partnership of states based on security can grow.

Mr President, it is encouraging to see that the discussion of these vital problems has begun in the East and West, in the North and South. I mention the socialist states's proposal for a comprehensive system of world peace and international security, the proposals and ideas presented here by the USSR foreign minister; I mention the six states' initiative for the "development of a new concept of global security without nuclear weapons," India's initiative for the "creation of a comprehensive global security system," and the ideas of many West European politicians on the "creation of cooperative security structures and cooperative solutions."

All these efforts for a new concept of interstate life are backed by the socialist German state. Conditions are now ripe to press for results in the security policy dialogue at the United Nations.

A world without weapons is certainly still far away. However, the road to it only leads via arms control and disarmament steps. That is now possible, as the INF Treaty has shown.

The Warsaw Pact Suggests a Reduction in the Weapons Arsenals [subhead]

In this respect, the Warsaw Pact countries submitted proposals at the meeting of their Political Consultative Committee in July this year. They envision the following tasks, which have precedence:

—The conclusion of a treaty on halving the arsenals of the strategic offensive weapons of the USSR and U.S., under strict observance of the ABM Treaty, followed by further steps for the reduction and ultimate liquidation of the nuclear weapons arsenals.

—A complete and general ban on nuclear weapons tests and, as a step in this direction, agreements between the USSR and the United States on reducing the strength and number of nuclear explosions.

—The prevention of the arms race in space. In addition, a ban on antisatellite weapons, the creation of an inspectorate for the supervision of all space launches, as well as the creation of a space organization.

—A ban on chemical weapons.

—A radical reduction in the forces and conventional armaments in Europe.

—The inclusion of naval forces in disarmament negotiations.

—Prevention of the abuse of the latest scientific and technological achievements for military purposes.

—The creation of nuclear weapons-free zones and peace zones, wherever possible, as important steps on the road to general and complete disarmament.

—The mutual monitoring of the implementation of commitments or of weapons potentials, which means effective verification through inspection.

That will reduce distrust and help to gradually overcome enemy images, and it will ultimately build confidence and thus preparedness for cooperation. Our good experience with the Stockholm document is encouraging in this respect. The GDR shares the view of the six states' initiative, that it would be expedient to organize a multilateral verification system under the aegis of the United Nations.

Mr President,

Regrettably, peace is not a foregone conclusion—let alone in Europe. This continent has seen more years of war than peace. Therefore, having over 40 years of peace—the longest period of peace in Europe to date—must not allow us to forget that this peace is fragile, because it is a peace based on weapons.

A destructive military potential is concentrated in Europe, which does not exist in any other part of the world. Thus, disarmament for this continent, from which devastating world wars started twice in this century, is of vital importance and is even a matter of survival. Europe is also the continent which demonstrates by the Helsinki Final Act and the CSCE process that peaceful coexistence between states with different social systems is possible and, indisputably, useful for all concerned.

It must be emphatically demanded that the remaining tactical nuclear weapons be included in the disarmament process in Europe. The Berlin meeting on nuclear weapon-free zones, and the comprehensive, frank, and equal dialogue that was held there and which included the broadest circles of all parties interested in peace, confirms our conviction that we must continue the proposal we submitted together with the CSSR on a nuclear weapon-free central Europe.

Regarding chemical weapons, a global ban should be agreed on as soon as possible. We will back any ways and methods—no matter who suggests them—if they bring us nearer to our objective without any further delay. The new ideas presented by French President Francois Mitterrand are to be welcomed. A chemical weapon-free zone in Europe could be helpful in this respect.

In this connection, I mention the offer made by the GDR and the CSSR to the FRG to immediately start negotiations on freeing the territories of these countries of chemical weapons, or keeping them free of such weapons. The paragraphs of the convention on a comprehensive ban on chemical weapons, which have been agreed upon in Geneva—in particular regarding verification—could be tested in practice.

An exchange of data on chemicals which would be affected by a convention, as well as selective inspections in factories of the chemical industry would be conducive to the conclusion of an agreement. The GDR has made the relevant data available; other countries are called upon to do so, too.
Mr President,

The Warsaw Pact countries

—emphatically support a substantial reduction in the forces and conventional armaments in Europe from the Atlantic to the Urals. The three-phase proposal submitted by them in Warsaw takes the other countries' ideas into account, and could be the basis of negotiations before the end of this year;

—seek to achieve a situation in which surprise attacks and operations are no longer possible, and in which only those forces and resources are retained which are necessary for defense.

That requires the military doctrines of both alliances to be oriented solely toward this objective.

Assuming that there exists the readiness in principle to build confidence and reduce armaments, the plan submitted by Milos Jakes, CPCZ Central Committee general secretary, on the creation of a "zone of confidence and security in central Europe" as well as the memorandum presented by Wojciech Jaruzelski on the reduction of armaments in central Europe are steps that are immediately feasible.

Setting up a European center for diminishing the danger of war in Europe, or a mechanism for the peaceful settlement of crises in central Europe, installing a "hot line" between Berlin, Bonn, and Prague, and having mixed observers at strategic points would be conducive to confidence-building and disarmament.

Making the FRG-GDR Relationship an Example of Peaceful Coexistence [subhead]

These and other elements could already now allow us to set up the European home in the sense of the Helsinki Final Act step by step.

With this very goal in mind, we advocate the conclusion of the Vienna follow-up meeting as soon as possible at the level of foreign ministers with a substantive document that has to be balanced in all its parts. Then the negotiations, that all sides concerned want, on a reduction in forces and conventional armaments in Europe could start before the end of this year, and further confidence-building measures could be agreed upon.

The existence of two sovereign, independent German states with different social systems forms part of the European peace order.

As for their mutual relations, I would like to stress this:

The most important thing is that no tensions and dangers for European interstate relations emanate from this relationship, that, on the contrary, these relations influence East-West relations constructively. It is up to the two German states to make their mutual relationship a desirable example of peaceful coexistence between states with different social systems. That is possible if both sides proceed from the existing realities, showing the relevant political will, common sense, and realism. Thus, the obligation assumed by both states, that "war must never again start from German soil, that peace must start from German soil," can be implemented, as was unanimously confirmed by General Secretary Erich Honecker and Federal Chancellor Helmut Kohl in the joint communique on the official visit of the highest GDR representative to the FRG over a year ago. At all times the GDR remains prepared to pursue such a policy.

Mr President,

With the stabilization of the international climate, with initial successes in arms limitation and disarmament and, not least, with the improvement of relations between the Soviet Union and the United States, the conditions for the settlement of international conflicts have also improved.

The progress that has been achieved regarding these problems which are so important for world peace is obvious. It confirms that dialogue, the readiness for compromise, a sense of realism, and sound political judgment are the only way to arrive at equitable, comprehensive, and lasting solutions. All countries must commit themselves to this, if results are to be reached; because all countries—no matter whether they are directly involved or not—are in any case directly affected. This very fact justifies the right and the duty not to stand aside, but to act.

The UN Contributes to Settling Regional Conflicts [subhead]

At the same time, it has become clear that the United Nations can contribute to the peaceful settlement of international conflicts, if all countries—but primarily the parties to the conflict—support it in this effort. UN Secretary General Perez de Cuellar deserves special appreciation and gratitude for his work, which is rich in initiative.

We would like to sincerely congratulate you, Mr Secretary General, on the high award of the Nobel Peace Prize to the UN forces, and encourage them to continue their efforts.
Mr President,

The Geneva accords are an important step toward the stabilization of the situation in and around Afghanistan. The Afghan people need peace, national reconciliation, and reconstruction. To this end, all sides must strictly fulfill the obligations assumed by them. Terror which is supported from outside, as well as all outside interference must be discontinued.

UN Security Council Resolution 598 has proved to be a strong basis for settling the tragic war between Iran and Iraq, which required many sacrifices. Now the negotiations which have begun must turn the cease-fire into a lasting peace. Maximum restraint by the parties that are directly involved in the conflict, and by all the other countries, as well as the withdrawal of foreign fleets would be conducive to the peace process there.

As for the situation on the Korean peninsula, the GDR supports the DPRK's proposals for the safeguarding of peace and detente in this region.

The negotiations between Angola, Cuba, and South Africa, and the accords reached so far on bringing about independence for Namibia, can be considered an important step on the path to a political solution in southern Africa.

In this respect, the implementation of Security Council Resolution 435 continues to be of current importance.

However, as long as apartheid continues in South Africa, the countries of the region will be threatened by destabilization and aggression. Therefore, comprehensive and binding sanctions against the racist regime are necessary. Apartheid cannot be reformed; it must be abolished. Let me confirm on this "day of solidarity with the South African political prisoners:" Nelson Mandela and all the other patriots must finally be free.

The positive developments in the Horn of Africa must be welcomed, in particular the peace agreement between Ethiopia and Somalia, as well as the accords between Ethiopia and Sudan. There is almost unanimity that an international Middle-East conference would be the best way to comprehensively, justly, and thus lastingly settle the long and extremely complicated conflict.

Therefore, it seems to be in order that the Security Council—if necessary, also at the level of foreign ministers—prepare a negotiation mechanism. In such a conference—to be held under the auspices of the UN—all interested sides, including the PLO and Israel, must of course take part. The Arabic "salaam" should be reciprocated by a "shalom" from Tel Aviv.

The GDR emphatically backs the Guatemala peace plan for Central America. The Nicaraguan Government is doing its best to implement it comprehensively. It is up to the "contras" and the power supporting them to contribute their share to a peaceful settlement of the conflict. Outside interference in Nicaragua must be discontinued. The same holds true for Panama.

The informal meeting in Djakarta must be assessed as an effort on the part of the Indochinese countries toward a political settlement of the Cambodian conflict. May the agreed consultations and the upcoming talks between Prime Minister Hun Sen and Prince Norodom Sihanouk be successful.

The resumption of negotiations between the leading representatives of the two national groups on a settlement of the Cyprus issue is hopeful.

We also support the efforts for a peaceful solution to the Western Sahara problem.

The lasting recovery of international relations requires common efforts, in particular for the preservation of the supreme human right, the right to live in peace.

The GDR supports intensified cooperation, aimed at the elimination of innumerable human rights violations and at the safeguarding of all human rights—economic, social, cultural, civil, and political rights. The lessons of the past and our responsibility for the future should be an obligation for us to act jointly against all forms of fascism and neofascism.
Mr President,

Today more than 5 billion people live on the earth, and by the turn of the millenium, there may be 6 billion. They all need work and bread; they all have a right to housing, health, education, and training.

A solution to these huge problems is increasingly becoming a fundamental prerequisite for the preservation of peace and security. The growth and prosperity of some countries must no longer be at the expense and to the disadvantage of other countries and peoples. It is necessary to find cooperative solutions to overcome underdevelopment, to democratically restructure international economic relations, in international trade, in monetary and financial relations, in the environment, and in many other walks of life. The United Nations Organization offers a universal framework for this. It is necessary to quickly work out an international development strategy for the nineties. A relevant contribution could be made by a UN general assembly special session on international economic problems in 1990.

Problems of the developing countries' foreign debt must be settled on a global and equitable basis, which means in a way that guarantees to these states a growth-oriented future and social progress.

A warning system for risk factors in the world economy could undoubtedly strengthen economic security. A report to this end should be submitted to the United Nations not later than 1989.

With their declaration on "the influence of the arms race on the natural environment and other aspects of ecological security," the Warsaw Pact countries have submitted relevant proposals.

The United Nations certainly has to play a specific role in the coordination of efforts in the field of ecological security. We agree to the proposals submitted here for relevant meetings under the auspices of the United Nations.

The GDR Unreservedly Supports the Goals of the UN Charter [subhead]

Mr President, for the GDR 1988 is the 15th year of its cooperation in the United Nations; I confirm today what the foreign minister of that time Otto Winzer stated here: The socialist German state unreservedly respects the principles and goals anchored in the UN Charter, and advocates the idea that they determine the action of countries worldwide. This state remains prepared to further the UN's activities. The opportunities and instruments that the members and the organization proper have at their disposal are not yet fully exhausted. The UN's efficiency certainly also depends on the fact that cooperation between all states on the basis of equality is not obstructed by discrimination, unfounded restrictions against a number of permanent missions—as debates in the host country committee have shown.
Mr President,

The UN's reputation and authority have visibly grown as a result of its recent efforts to promote peace.

That is a challenge to intensify efforts for the implementation of this international organization's noble goals. The GDR is prepared for this.

I thank you, Mr President.

More on 39th National Day Celebrations

Citizens Honored

LD0710084688 East Berlin ADN International Service in German 1214 GMT 6 Oct 88

[Text] Berlin (ADN)—On the occasion of the GDR's national holiday, Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, presented honors to deserving personalities and collectives today in Berlin. The Karl Marx Order, the "Grand Star of International Friendship," the honorary title" Hero of Labor", the honorary title "Exceptional Scientist of the People", the Clasp of Honor of the Patriotic Order of Merit in Gold, and the GDR National Prize for 1988 were all awarded by the chairman of the GDR Council of State on the recommendation of the SED Central Committee Politburo and the Presidium of the GDR Council of Ministers. In his speech during the award ceremony on the eve of the 39th anniversary of the founding of the GDR, Erich Honecker acknowledged the exemplary personal commitment of those honored for maximum performances. Their successful work bore impressive witness to the great and varied abilities of the socialist society.

Turning to those honored, Erich Honecker said that the essence of socialism is to do everything for the well-being of the people, and your deeds serve toward that end. They are crucial for our efforts to achieve a safe peace, along the path of disarmament and detente, and to save mankind from a nuclear catastrophe.

Our nation truly has every right to be proud of its achievements and to be proud of what has happened to our republic in 39 years, stressed the general secretary. A politically stable, socialist state with a modern industry and agriculture, with flourishing science and culture and a state which enjoys recognition, respect and trust in the world has arisen and developed under the leadership of the working class as a great common work of all strata and generations. This was also recently confirmed during my visits to the Soviet Union and to Spain. From year to year life here has improved in social security and with full employment and increasing prosperity.

Freedom, democracy, and human dignity are not empty words for us but real vital elements of socialist society. Erich Honecker said that the creativity, initiative, hard work, and energy with which our people translate the policies resolved at the 11th SED Party Congress into action come from such sources.

Prof Dr Ulf Gottschling, director of the Dresden Microelectronics Research Center gave thanks for the high honor on behalf of all those honored.

SED Central Committee Politburo members Willi Stoph, chairman of the Council of Ministers; Horst Sindermann, president of the People's Chamber; Hermann Axen; Kurt Hager; Joachim Herrmann; Werner Jarowinsky; Egon Krenz; Guenter Mittag; and Harry Tisch, as well as other personalities in the social life of the GDR were guests at the ceremonial function, which was held in the Council of State building.

Honecker Presents Awards

AU1110204688 East Berlin NEUES DEUTSCHLAND in German 8-9 Oct 88 p 8

[Speech by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, at an award ceremony for meritorious citizens in East Berlin , on the "eve of GDR's National Day"]

[Text] Dear friends and comrades, ladies and gentlemen:

On the eve of our National Day, the 39th anniversary of the founding of the GDR, I have the pleasure to honor

meritorious personalities whose political, cultural, or scientific life achievements are closely related with the emergence and growth of our republic. At the same time this is a tribute to remarkable work achievements which are of great importance to our continuing progress in shaping the developed socialist society.

Esteemed friends and comrades, with your exemplary personal commitment for excellent work, you have made a contribution which is to your own and our country's credit. Your successful work is an impressive reflection of the great and manifold potencies of our society. It is the essence of socialism to do everything for the well-being of the people and your deeds serve that end. On the road to disarmament and detente your work is important for our efforts to attain a safe peace and to save mankind from a nuclear catastrophe.

A State Which Enjoys Recognition, Respect, and Trust in the World [subhead]

Our people have truly every reason to be proud of their achievements, proud of what has become of our republic in 39 years. A politically stable socialist state with modern industries and agriculture, prospering science and culture, a state which enjoys recognition, respect, and trust in the world has emerged as a great common work of all strata and generations and has developed under the leadership of the workers class. This was also confirmed during my recent visits to the USSR and Spain. Our life in social security, with full employment, and growing prosperity has improved year after year.

The basis for this development is the increase of the produced national income from M121.6 billion in 1970 to M261.2 billion in 1987. In 1987, the industrial production of goods was superior to the volume of 1970 by M551 billion or 228 percent. A dynamic development has been achieved over a long period of time.

This has been an advantage to the entire country as well as for the individual citizen. It has made possible far-reaching socio-political measures, most visibly in the implementation of our great program of housing construction and in the fact that the 3 millionth apartment will be handed over to its tenants soon. Man's life is characterized by higher income, and also by a highly developed education system, a free health service, and comprehensive promotion of mothers and children.

Freedom, Democracy, and Human Dignity—Not Hollow Words for Us, But Real Elements of Life [subhead]

Freedom, democracy, and human dignity are not hollow words for us, but the real elements of life in socialist society. Such sources feed the creativity, initiative, diligence, and energy with which our people implement the policies adopted at the 11th SED Congress.

Ladies and gentlemen:

As you know, I was in the USSR for a working visit last week. This visit and my talks with Mikhail Gorbachev were a political event of great importance for further deepening the friendly solidarity and extending the close and comprehensive cooperation of our two parties, states, and peoples. In a time in which the countries of socialism have to meet many challenges in their development and to seek the most appropriate solutions in every instance, we consider the constructive exchange of opinion and experience—in the manner in which it was carried out in Moscow—to be of particular value.

The exhibition of the GDR in Moscow was a very descriptive contribution to this process. The joint press release on my talks with Mikhail Gorbachev quite rightly describes it as a demonstration of the achievements of the working people of our Republic under the leadership of the SED, on the road of socialist development. We are glad about the Soviet hosts' continuing great interest and the recognition of many experts who have familiarized themselves with the exhibits. They repeatedly pointed out that by its microelectronics and other modern technologies, the GDR has helped wide sectors of its industry to keep up with the rapid international development and even be at the head of certain developments. It was appreciated that this was achieved with our own strength and in cooperation with the USSR, and that it allowed defiance of many regulations of NATO's Coordinating Committee for Multilateral Export Controls. This is why the 1-megabit-chip, which is produced in the GDR, this excellent scientific-technological achievement of the Carl-Zeis Combine, is a special point of attraction. We regard it as a success of our economic strategy which we have followed for several 5-year periods and in which our cooperation with the USSR plays a decisive role.

It is proved again and again that even the highest material input leads to success only when people proceed with an exemplary personal commitment in scientific laboratories, production plants, in universities and schools, where the foundation of education is laid. This is what ultimately counts.

My visit to Moscow and our exhibition there mark the beginning of a new era of cooperation of our national economies—a view which is shared by our Soviet interlocutors. Today, a single country cannot fully utilize the possibilities of microelectronics and other key technologies. We believe in the cooperation with our natural partner, the USSR, and the other socialist fraternal countries. Like the decisions of the 27th CPSU Congress, those of the 11th SED Congress also call for an increasingly effective use of the scientific-technological revolution for the prospects of socialism.

A Glance at the Hard Beginning in Order To Fully Understand the Achievements [subhead]
Dear comrades and friends:

Those who have lofty goals are well advised to look at the path already behind them. Only those who recall the

difficult beginning will fully understand what has been achieved by our people in the GDR. Considering the ruins which were left by World War II, it required much optimism to start constructing a new future. Our people had to overcome loads of difficulties and permanent hostilities from the West which did not limit itself to forecasting the early collapse of the young socialist state but also vigorously tried to bring about its collapse. I point to the damage amounting to millions of marks which our economy had to suffer during the Cold War while, at the same time, all efforts were undertaken to exclude us from international life.

Nevertheless, the first socialist state of workers and peasants on German soil has achieved an economic efficiency, a social level, and a cultural prosperity which put this state among the impressive examples of the strength of socialism in the world. Certainly, life will continue to confront us with large problems. However, we are prepared to pass the threshold into the nineties in the best way.

The Best for Our Country and for All Its People [subhead]
Dear friends and comrades:

The distinctions, which you will receive today for your achievements, are a tribute to your devoted work and your desire to do the best for our country and for all its people. We all have it at heart that our people live in peaceful homes with peaceful prospects and that they can enjoy the fruits of their busy work. The further development of our socialist fatherland is also the foundation of the happiness of the individual.

Esteemed friends and comrades, on the proposal of the SED Central Committee Politburo and the Presidium of the GDR Council of Ministers, I present you for your merits with the Karl-Marx Order, the order "Great Star of Friendship Among Peoples," the honorary title "Meritorious Scientist of the People," the honorary title "Hero of Labor," and the GDR National Award.

I congratulate you for this high distinction and wish you best health, successful work, and personal well-being for the future.

Honecker Attends Reception

LD0710220888 East Berlin ADN International Service in German 1742 GMT 7 Oct 88

[Text] Berlin (ADN)—The 39th anniversary of the founding of the German Democratic Republic ended on Friday in Berlin with a reception by the SED Central Committee, the Council of State, and the Council of Ministers. Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, other members of the party and state leadership and commendable working people experienced together a festive evening in the Palace of the Republic in Berlin. Among the guests were outstanding workers, cooperative farmers, members of the intelligentsia, artists and cultural workers, veterans of the workers' movement, and young people, who had been honored with high state decorations for the national day. Renowned artists and ensembles of the country offered an impressive program.

At the beginning of the evening, which was commenced with the GDR national anthem, Erich Honecker proposed a toast, in which he warmly welcomed the guests of the evening to the national day.

Participating in the reception in the Great Hall of the Palace of the Republic in the center of the GDR capital were the members and candidate members of the SED Central Committee Politburo Willi Stoph, chairman of the Council of Ministers; Horst Sindermann, president of the People's Chamber; Hermann Axen, Horst Dohlus, Kurt Hager, Joachim Herrmann, Werner Jarowinsky, Heinz Kessler, Guenther Kleiber, Egon Krenz, Erich Mielke, Erich Mueckenberger, Alfred Neumann, Guenter Schabowski, Harry Tisch, Inge Lange, and Gerhard Schuerer. Present were the deputy chairman of the Council of State Professor Dr Manfred Gerlach, chairman of the LDPD [Liberal Democratic Party of Germany]; Gerald Goetting, chairman of the CDU; and Dr Guenther Maleuda, chairman of the DBD [Democratic Peasants' Party of Germany]; and Guenter Hartmann, deputy chairman of the NDPD; and as well as Prof Dr Lothar Kolditz, president of the National Council of the GDR National Front.

Other public figures of all the parties and mass organizations united in the National Front were present. Guests of the evening were representatives of churches and religious communities.

The heads of diplomatic missions accredited to the GDR and the doyen, Dr Faysal Summaq, ambassador extraordinary and plenipotentiary of the SAR [Syrian Arab Republic], were present. The guests also included Army General Boris Snetkov, commander in chief of the Group of Soviet Forces in Germany; Colonel General Nikolay Moyseyev, member of the Military Council and chief of the Political Directorate of the Group; and Col Gen Vladimir Meretskov, representative of the commander in chief of the Joint Forces of the Warsaw Treaty states in the NVA [People's Army]

The members of the party and state leadership held lively talks with meritorious public figures. Erich Honecker and Education Minister Dr Margot Honecker and Willi Stoph, Horst Sindermann, and their spouses had a very open talk, marked by mutual respect for the responsible work of all those involved, with the artistes Helga Goering and Gisela May, who were awarded the GDR National Prize yesterday, and with the Heroes of Labor Werner Ehrhardt and Manfred Ludwig and their spouses.

Afterwards leading soloists and ensembles staged a festive program, which was greeted with prolonged applause and flowers.

Honecker Toast at Reception

LD0710223088 East Berlin NEUES DEUTSCHLAND in German 8-9 Oct 88 p 1,2

["Toast by the GDR Head of State" Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, at a reception on the occasion of the GDR National Day in Berlin on 7 October]

[Text] Dear friends and comrades, ladies and gentlemen of the diplomatic corps, distinguished guests:

I welcome you all very cordially at this festive reception on the occasion of our National Day. Thirty-nine years after its foundation, the GDR can look back over a successful path of development, the results of which justify our people's joy and satisfaction. In the first German state of the workers and peasants at the center of Europe, socialism has maintained stable, constantly strengthening positions and is developing its potential. The guaranteeing of a safe peace for the present and future generations is, for us, a primary policy concern.

Today, there can be less doubt than ever that the founding of the GDR on 7 October 1949 was a turning-point in the history of our people and of Europe. The fundamental renewal of society went hand-in-hand with the reconstruction of the cities, the enterprises, the places of learning and culture, with changes in life for the good of the people such as had never before been carried out on German soil. If one keeps in sight the picture of material and spiritual devastation of our country after World War II, after the end of Hitler's fascism, the magnitude of what has been achieved emerges with full clarity. The start was difficult at the time, the path embarked upon was not easy to pursue, but the efforts have brought their reward.

Connected with the creation and growth of the GDR is the fulfillment of the legacy of all those who, in the anti-Hitler coalition and in the antifascist resistance, fought for the salvation of mankind from the brown barbarism. This is always remembered in our country, and it is in this spirit that youth gains its knowledge of history. The creation and development of the socialist German workers' and peasants' state mean the realization of the noble aim of a dignified society, which the most progressive forces have been striving toward since time immemorial; that means work and bread, freedom, democracy, and peace for all of the people.

As a state with an industry capable of top performances, with modern agriculture, a creatively expanding science and culture, the GDR is at the same time a state of social security, of human dignity, of full employment, of comprehensive educational possibilities, of constant improvement of living and working conditions. The positive overall balance, which we are able to draw on this 39th anniversary, contains the affirmation of life for our policy for the shaping of developed socialist society, which we are continuing to realize on the basis of the decisions of the 11th SED Party Congress. We are thereby taking into account the fact that it is a matter of a process of deep-reaching changes, whose new requirements must in each case be met, in full responsibility before our people, by such solutions which correspond to our concrete national conditions. Great weight is assigned in this connection to my recent meeting with Mikhail Gorbachev in Moscow. United by good friendship and solidarity, based on joint views on the principal questions of foreign policy and socialist construction, the GDR and the USSR will cooperate in the future as well for the well-being of their peoples. The further course for this was drawn up. Our all-sided and fruitful relations are attaining a yet higher level, which is impressive to see from the concrete results of our talks.

The exhibition of the GDR in Moscow, which was visited by Mikhail Gorbachev, the other leading Soviet public figures, and myself shows in an impressive way the national economic and scientific-technical performance capability which our country has to bring to the cooperation. The variety of possibilities to safeguard to mutual advantage the world standard in the key areas of science, technology, and production is made clear. At the same time this exhibition is a reflection of the great changes in our country, of what has been achieved in the construction of socialism in the GDR, of the close cooperation with the soviet Union, of a cooperation with wide perspectives.

If we think of the future, then important to us above all are a secure peace, the turn away from confrontation in international relations, and the turn toward cooperation. Within a year, significant advances were achieved, which give cause for hope. But there still remains a lot to do, because champions of the arms race are not showing any readiness to clear the field. A change for the better in international relations has occurred precisely because the treaty between the USSR and the United States on the elimination of their intermediate- and shorter-range missiles came into force and is being realized. The peoples are breathing a sigh of relief over the disappearance and destruction of the devilry. As is generally known, the GDR has committed itself steadfastly to this.

I affirm our resolution to contribute actively to further disarmament measures with our sights on the great objective of a world free of nuclear weapons. The halving of strategic offensive weapons, the cessation of atomic tests and the banning of chemical weapons are necessary. In addition there is the reduction in conventional arms and armed forces from the Atlantic to the Urals. To solve these most burning tasks of our time, the Warsaw Pact member states have set out a program which takes the interests of all participants into account, and which deserves a constructive answer from NATO.

A continuing "balance of terror" does not lessen the deadly danger of a nuclear war for mankind, but increases it. By radically reducing arms to the level of defense capability, we are not only doing what is necessary, but also what is reasonable and realistic. Modernization of the most diverse nuclear weapons types, in particular as a "compensation" for the destruction of the intermediate missiles, are in direct contradiction to this.

Interest in disarmament and a secure peace unites today political and social forces of the most diverse orientation, as the Berlin International Meeting for Nuclear Weapons-Free Zones proved. This comprises a strong force. During my state visit to the Kingdom of Spain, in the talks with the leading representatives of the country, I was able to establish with satisfaction that the standpoints of both sides concur in decisive questions for the securing of peace. I view this as a fact of great significance for the further agreed on expansion of relations between our states and peoples with regard to the shaping of the joint European house.

With its policy of dialogue, of cooperation, and of trust-building, the GDR will be at all times a good and reliable partner for all who strive for a peaceful future for mankind. On the way to this objective, many efforts, often hard, will be necessary. But I think there is cause for optimism and confidence.

Distinguished guests, from this place I greet all GDR citizens and congratulate them cordially on the 39th anniversary of our republic. I am firmly convinced that in the coming period we will achieve new successes in implementing the domestic and foreign policy course decided by the 11th SED Congress through joint work, the creativity and industriousness of the workers class, the cooperative peasants, the members of the intelligentsia, and all working people. We will make our country flourish further, we will further strengthen socialism for the welfare of the people, and we will make our own contribution to a stable peace.

Dear comrades and friends, ladies and gentlemen, distinguished guests, please raise your glasses with me and drink to
—a peaceful future for all peoples,
—the 39th anniversary of the GDR.

Whitehead Interviewed on U.S. Romanian Policy

LD1610213988 Budapest Television Service in Hungarian 1800 GMT 16 Oct 88

[Interview with John Whitehead, U.S. deputy secretary of state, by an unidentified reporter at Ferihegy Airport on 16 October—recorded in English with superimposed Hungarian translation]

[Text] [Reporter] Welcome to Budapest, Mr Secretary of State [title as heard]. Lately you have been a frequent guest in this part of the world. Do these frequent visits reflect a change in the policy of the U.S. Government, or are some special interests linked to this?

[Whitehead] This is my sixth visit in the past year, and it is the fourth time that I have visited Hungary—I was last here in June. I think that it reflects the United States' continuous interest—and what's more, I would say, increasing interest—in what happens in Eastern Europe. The United States not only intends to maintain its contacts with the countries of the region but wants to constantly improve them.

[Reporter] And what is happening in Eastern Europe?

[Whitehead] Extraordinarily exciting processes are taking place. This is the most interesting tour I have had so far, due to the continuous changes taking place in almost every country; reform programs and social, economic, and political programs are beginning. They are being implemented almost everywhere.

[Reporter] Mr Secretary of State, before you left Washington you gave an interview to Hungarian television. In this interview you referred to the Romanian problems and said that there was a need to see in Bucharest whether there had been any change, any amendment to the stand of the Romanian leadership, particularly concerning the situation of national minorities and human rights questions.

[Whitehead] We find that in Romania progress in this respect is much smaller than in the other countries of Eastern Europe, particularly in the area of human rights. What is currently particularly disappointing to us is that it has been verified that small villages are being eliminated. Throughout the country, people are being moved from their village homes into rented apartments, far away from their old surroundings.

[Reporter] Is this the official stance of the United States? Other countries' governments and legislators—particularly in Europe—have declared publicly their opposition to the program. The United States has not thus far made an official statement of this nature.

[Whitehead] I don't know how we could be more official. We consider the destruction of the homes of people to be a very serious violation of human rights. Of course, Romania has every right to act as it wishes, but our heart beats on the side of those peasants whose homes are destroyed.

[Reporter] Although I have not read the full text of your news conference in Bucharest, from what I have seen I have the feeling that the tone of your remarks was more moderate than that of the statement you gave to Hungarian television. Was this merely the self-restraint of a diplomat or have you indeed experienced progress?

[Whitehead] No, on this particular issue I have not seen any progress whatsoever. However, I must say that even in the case of Romania, where in the area of human rights we have seen much smaller progress than in other countries of the region, our aim is to improve relations. We have contacts with Romania apart from this and these are important to us. We try to achieve progress and we try to ensure that no single component of relations influences the shaping of the other components.

[Reporter] In the interview you gave to Hungarian television, you said that the possibilities of the U.S. Administration are limited. How should this be interpreted?

[Whiteshead] This means that whatever our opinion should be concerning issues which in our eyes appear repulsive or to breach the law, or to hurt us, we do not have the means to change all those which we consider to be abuses.

[Reporter] Thank you, Mr Secretary of State. I wish you a pleasant stay here.

Received by Karoly Grosz

LD1710200388 Budapest MTI in English 1751 GMT 17 Oct 88

[Text] Budapest, October 17 (MTI)—Karoly Grosz, HSWP [MSZMP] general secretary and chairman of the Council of Ministers, met John C. Whitehead, deputy secretary of state of the United States, in his office on Monday afternoon. The sides agreed that bilateral relations were making favourable progress.

Discussing the international situation, both sides assessed the development of Soviet-American relations as positive, and stressed the importance of further developing East-West ties. The Hungarian side pointed out that the improving international atmosphere provided favourable conditions for further expansion of Hungarian-U.S. relations.

On Monday, the U.S. politician met members of the Political Committee Janos Berecz, HSWP CC secretary, and Imre Pozsgay, minister of state, Matyas Szuros, HSWP CC secretary, and Peter Medgyessy, deputy

prime minister, and was informed about Hungary's situation, experience in its steps for economic and political reform, and further ideas.

At the Ministry of Foreign Affairs, Mr. Whitehead held talks with Foreign Minister Peter Varkonyi on Hungarian-U.S. relations, the exploitation of cooperation opportunities explored during Karoly Grosz' visit to the USA, and topical international affairs.

The talks were attended by Laszlo Kovacs, deputy foreign minister, and Mark Palmer, ambassador of the United States to Hungary.

Gives Airport News Conference

LD1810122688 Budapest Domestic Service in Hungarian 1100 GMT 18 Oct 88

[Text] [Announcer] Hungarian-U.S. relations are settled in every respect. On the conclusion of his visit to Hungary, John Whitehead, U.S. deputy secretary of state, gave a press briefing a short time ago at Ferihegy Airport. Peter Marvanyi reports:

[Marvanyi] Deputy Secretary of State Whitehead first read a statement concerning his talks in Hungary. As for his discussions with Karoly Grosz, he said that the two of them agreed that his visit to the United States in July was an outstanding success and, in the wake of this, the possibilities for developing bilateral relations must be sought on a broad front.

There was talk of East-West relations, and within this of Soviet-U.S. relations, and of the positive processes discernible in the changes in the Iran-Iraq, Afghan, Angolan, and Cambodian conflicts. The deputy secretary of state alluded to the development of Hungary's relations with the ROK and with Israel, as well as to Hungary's participation in the UN peacekeeping forces in the Gulf.

Karoly Grosz and his colleagues briefed the deputy secretary of state on Hungary's economic and political situation. I told them, Whitehead continued, that the Americans are very interested in the Hungarian reform efforts. I assured them that the United States wants to help Hungary in shaping a more market-oriented economy and an even more democratic and pluralist society.

On his economic talks, the deputy secretary of state said that the United States is interested in increasing trade turnover, but that this must be conducted in a more balanced manner. I proposed, he said, that Hungary should make private investments more attractive. At the end of his statement, Whitehead stated that he believes that Hungary's leaders are committed to continuing reform in both the political and economic spheres.

Replying to questions, Whitehead said he is not competent to judge Hungarian-Romanian relations, but he believes that these relations are not as good as they could be. During his trip to Romania, he witnessed the disappearance of villages. This is a tragedy, he said, a violation of human rights, which affects Romanians and Hungarians in Romania alike. There are other human rights problems in Romania, as well—for example, political prisoners, freedom of assembly, and freedom of the press. The attention of world public opinion must be drawn to these.

This morning, by the way, Whitehead was given a petition from the [Transylvanian] refugees in Hungary. In it, they urged the United States to play a greater role in resolving the refugee issue.

Replying to other questions, Whitehead said: A successful conclusion of talks on the matter of limiting conventional weapons is possible after the conclusion of the Vienna follow-up conference. He said that no matter which candidate is elected president, it will be in his interest to continue current U.S. policy with East European countries.

Whitehead's special aircraft took off shortly before 1145 for Sofia. That will be his next, and final, stop in his current tour.

Varkonyi on Romania, Borders, Water Barrage

LD1710232888 Budapest Domestic Service in Hungarian 1815 GMT 17 Oct 88

[Interview with Foreign Minister Peter Varkonyi by unidentified reporter; date and place not given—live or recorded]

[Text] [Reporter] You spoke at the UN General Assembly about human rights, about the issue of national minorities. Everyone knew and knows that the issue at hand was Romania, but you did not utter the name of Romania. Obviously, there is a diplomatic reason for this.

[Varkonyi] Undoubtedly, if a person raises a problem at the UN General Assembly, he raises it in generalities. We have no intention of injecting new confrontational elements into the debate at the UN Organization's General Assembly. However, we represent the view, on principled bases, that the community of nations must absolutely work out an international codification of the rights of nationalities, because this is what can in the future provide a basis of reference for us to represent satisfactorily the interests of Hungarian nationalities.

[Reporter] There have been similar conflicts in the past in Europe—it is enough for us to mention the Bulgarian-Yugoslav difference on the Macedonian question, or the problem of the Turks in Bulgaria. In these issues, we did not take a stand. Do we, after this, possess a legal or moral basis for believing we will obtain support in the issue of the Hungarians in Transylvania?

[Varkonyi] We approach this issue in principle, and it is on principled grounds that we ask for and hope for international support. However, it is entirely logical that it generally is very difficult to seek international support in the conflicts or problems between two countries. Generally, as for such problems between certain nations, the member states would, if possible, like to keep out of them, and they wish for the problems between one another to be settled by negotiations.

[Reporter] As far as I am aware, there has now been no Romanian ambassador in Budapest for months.

[Varkonyi] He just arrived yesterday. Soon he will present his credentials to the president of the Presidential Council. There is a new Romanian ambassador.

[Reporter] What is his name? The former one was Nicolae Veres, which suggested that he had some kind of Hungarian connection.

[Varkonyi] The new ambasador of the Socialist Republic of Romania is Comrade Traian Pop.

[Reporter] In connection with the Bos-Nagymaros debate, very many people explained that the Hungarian stand relates to maintaining the interstate agreement concluded with Czechoslovakia by saying that after Romania, we do not want to be in a quasi-fight with another of our neighbors. We cannot allow ourselves to do this. Are there really such considerations when the government thinks about Hungarian-Czechoslovak relations?

[Varkonyi] Naturally, there are many reasons for Parliament having taken the stand it took, and in my view it took a correct stand in this affair. Only a fragment of this is that insofar as we would have halted this construction project, or would have hampered it in some form, the fact is that the Hungarian People's Republic would have violated international contracts. The violation of such international contracts damages the bilateral relationship.

[Reporter] Then let us say openly what is talked about anyway. Indeed, there was someone who even said it in parliament's foreign affairs committee: They are afraid of a small entente, of a resurrection of the small entente.

[Varkonyi] I do not believe that there might be a threat of this danger. Of course, it is always possible to draw historical parallels, but historical analogies are never repeated in the same manner as they existed before, and now a new situation has taken shape in Eastern Europe. It is not possible to talk about a small entente functioning under French, or British, or other influence. The issue here is that in the great majority of the East European countries there is a socialist social system. For this reason, principled relations of an entirely different character are taking shape in the relations between our countries—they are much more friendly.

Allow me to add that the question often arises here: border revision or no border revision? Let us face up to this question. I believe that our correct stand in principle is what we have pointed out several times at international forums, and in statements as well, that we are not considering—and cannot think of—border revision. The basis for this is that whoever in Europe wants border revisions also wants a war in Europe. A war in Europe is a world war, and a world war is inconceivable at the current level of technological development. By this I mean that it [word indistinct] into a war waged with nuclear weapons.

[Reporter] You say that as something that is self-evident, but nevertheless, in one of the neighboring countries, that is in Romania, this is thrown in our face. What should we do about these accusations?

[Varkonyi] They must be rejected. We cannot do anything else.

[Reporter] Does this have any credibility at all in international politics? No one can seriously believe that the Hungarian Government is for border revision. You said so yourself: It is self-evident. Then how is it possible for someone to bring up this issue at all?

[Varkonyi] I cannot put myself into the mind of someone else. However, it is certain that in Europe and elsewhere in the world, everyone believes what the Hungarian Government says. So, there is no question of revision in the border issue.

[Reporter] A leader of national reputation—I do not want to name him—said, in a sort of half-sentence, but it was very characteristic as it slipped out of his mouth, that properly speaking, we can speak of an independent, sovereign Hungarian foreign policy since 1980.

[Varkonyi] I can say that all my practical experiences demonstrate that there is an independent, sovereign Hungarian foreign policy, which, naturally, is socialist in character, and which takes the interests of the allies into account.

[Reporter] Doesn't the coordinated foreign policy of the socialist countries hamper us in deciding, in a genuinely independent manner, whether to develop or cut back our relations?

[Varkonyi] No, I believe that the alliance system does not hamper us in conducting foreign political activity independently and in developing our international relations in accordance with national interests. This is indicated by our having ordered, diplomatic relations with the great majority of countries; it is indicated by, for perhaps the first time in our history, our relations being entirely in order with the two leading great powers—not only with the Soviet Union, but also with the United

States. This is indicated by our having developed economic, political, and cultural relations with every NATO country, and this does not, in any way, hamper our alliance affiliation.

[Reporter] Then where are the enemies? Where should the enemy be sought? Who is being referred to when we say that we do not want to considerably reduce our defense spending [words indistinct]?

[Varkonyi] The image of the enemy naturally has changed a lot; it is changing a lot over there, and it is changing a lot in our country as well. We, the socialist countries within the Warsaw Pact, naturally profess that every kind of military confrontation must be abolished, and this confrontation exists. So we cannot act as if it did not exist and politicize accordingly. It exists and it must be eliminated. And we try to abolish it, to abolish the capacity of every country to attack another country. We should create an atmosphere of international confidence which enables the development of relations, and we should turn toward the genuine enemies. Who, or what, are these genuine enemies?

At the current UN General Assembly, environmental protection issues were raised with great force—this refers not to Hungarian environmental pollution, but to the dreadful problems in the world which one country cannot resolve alone. I could list the problem of over population, the problem of food, which is catastrophic. The world is able to feed everyone, but there is famine in the world; the African problem, assistance to developing countries, the debt problem. These are enemies, but they are enemies of mankind, and we need a rallying of forces.

[Reporter] what is it like to be a Hungarian foreign minister now? We did not know previously in our country what a strike was, what a demonstration was. If Peter Varkonyi now appears abroad, what does his counterpart first ask him?

[Varkonyi] I believe that there is a bit of Hungarian nationalism in that everyone asks what happpened yesterday in Budapest. That is not the issue at hand. It could be said that they are rooting for us, that all of our resolve aimed at facilitating the advance of the country should succeed.

Trade Relations With Romania Assessed

LD1410221688 Budapest MTI in English 1349 GMT 14 Oct 88

[Text] Budapest, October 14, 1988 (MTI-ECONEWS)—President Nicolae Ceausescu of Romania Thursday spent 3 minutes and 39 seconds in the Hungarian pavilion at the Bucharest International Fair, while he spent a mere one minute and 42 seconds last year with the Hungarian exhibitors, this was announced by the Hungarian television news yesterday.

Mr Karoly Gyorfi, head of the Hungarian commercial representation office in Bucharest confirmed that the Hungarian-Romanian "problems of the political sphere are not present in the field of business contacts, we are both trying to expand goods exchange and both sides are satisfied with trade relations..."

The Hungarian TV news reported that the Romanian president supported the recently concluded agreement that laid down the principles for the establishment of a Dacia car assembly plant in Hungary and he was of the view that cooperation was needed in other fields, too.

Both sides would want to see sales affected over quotas laid down in inter-state agreements. The Hungarian commercial counsellor praised Romanian trade officials for being correct partners and said that Romania offered more business opportunities than are currently tapped by the Hungarian economy.

Early October the Romanian press fiercely attacked Hungary and accused the Hungarian Government of diverging from the political agreements reached at the Ceausescu-Grosz summit an Arad last August and of intervening in the internal affairs of Romania concerning ethnic minorities. The Hungarian press denied the Romanian allegations.

There are about 2 million ethnic Hungarians living in Romania.

Observers recall that Hungary's trade relations have developed fastest with Romania of the Comecon countries for years, though the volume of bilateral trade still stands last but one (bilateral trade with Bulgaria stands last in the line).

Last year goods exchange stood at 618 million roubles, and bilateral trade turnover is expected to reach 655 million roubles this year, though the five-year agreement up to 1990 had foreseen no more than a 607 million rouble bilateral trade turnover even for next year.

Hungarian export in the first half of the year was 129 million roubles (1987 first half: 152 million roubles) and import 161 million roubles (1987 first half: 14[illegible] million roubles).

The Hungarian side was confirmed that the 10 per cent share of cooperation in goods exchange is considered moderate and that cooperation and specialization should be strengthened.

Editorial on 'Conflict' With Romania

AU0610111988 Budapest MAGYAR NEMZET in Hungarian 24 Sep 88 p 1

[Editorial by Tibor Varkonyi: "In the Wake of the Arad Summit"]

[Text] Diplomacy is probably one of the most difficult jobs in the world. It must fulfill several requirements simultaneously. First and foremost, diplomacy should

fulfill the requirement to come to an agreement with a negotiating partner and find meeting points, while also taking into consideration the interests of a possible third party. It should also fulfill domestic public expectations and follow domestic reactions with attention. In Hungarian-Romanian relations, these requirements are topped by the fact that, understandably, there is great sensitivity toward the fate of the national minority living beyond our borders; although Bucharest considers this an "internal affair", we would expect greater understanding in recognizing the fact that this issue is also part of our domestic policy.

This also justified the increased expectations that had preceded Karoly Grosz' meeting with Nicolae Ceausescu in Arad. There are several reasons for the slight disappointment in the outcome of this meeting, and it would be foolish to deny the existence of a slight disappointment. The tension, or as one of the leading foreign affairs officials has recently put it, this conflict situation, increased almost to the level of becoming intolerable, and the public mood demanded a quick and spectacular change, or at least the first signs of such a change, a demand that, let us admit, was both exaggerated and unfounded. A single day's work cannot promise a solution to complex and accumulated problems, not even an approach to these problems.

The Hungarian Government did not realize it now, a while after the Arad summit, or immediately following the summit, that it had to take urgent steps. Nor were steps taken following the justified declaration made by MSZMP Central Committee Secretary Matyas Szuros in his speech on 20 August, namely that we were late in acting, and we should have acted sooner. The further wasting of time was not our fault. Karoly Grosz would probably still be waiting for an invitation for a summit despite the repeated Hungarian appeal for such a meeting if international attention had not focused with such intensity on the absurdities in the relations between Budapest and Bucharest.

Since then, however, events have accelerated, and the latest news attests to it. One cannot deny the fact that increasing domestic impatience also played a role in this. The 3-day visit paid by MSZMP Central Committee Secretary Matyas Szuros to Romania and his highest-level meetings there show the momentum of negotiations; the Hungarian Government's work program adopted at the Council of Ministers' session on 22 September also supports this momentum. An outside observer—or one could say simply an outsider, given the sensitivity of this subject, which limits the supply of information—could claim that we are still in the phase of intentions. The aforementioned government program describes the things we would like to achieve and our immediate and long-term goals, but we still lack guarantees for all these.

In order to dissipate any vain hopes, let us point out immediately that we will probably have to wait a long time for these guarantees. According to the declarations, there is no lack of mutual intention on either side, but there is a considerable gap in the two sides' concepts. At the beginning, this will not change much even if the delegations that were agreed on in the talks are permitted to leave; it always depends on the host country what will be shown and what will be discussed; there can be demand for objectivity in information, but, in reality, information is never totally impartial. However, it is still much better than a total lack of dialogue and exchanges of messages that are not based on one's personal experiences. Thus, one can only welcome the fact that we have finally achieved this much.

Several signs show the difference in our opinions. It has again transpired from Nicolae Ceausescu's recent comments that they have fundamental problems with our reform orientation, and he even added that "they see dangers in our reform orientation." One can conclude that this does not refer only to us, because, fortunately, almost the entire European socialist community is sharing our efforts today. However, they expressed their reservations to us now, so that the others would also understand them. We could also have opinions and observations concerning their methods of exercising power, but this is indeed an internal affair and not our business. We stick to the intention of improving bilateral relations, and readiness to cooperate characterizes our relations with all our partners; this is even more important here, given our close proximity and our historical interdependence.

It has also been clear that we differ in our opinions concerning the evaluation of the role played by the press. They criticize our tone and openness, to which we have a right in the spirit of honest criticism. It is strange, however, because we do not understand what they are afraid of, if our newspapers do not reach the people there, contrary to the situation in Hungary where everyone can read freely a wide range of Hungarian-language newspapers published in Romania despite their frequent lack of friendliness.

Everyone can read these newspapers, including the ones that have recently reprinted the full text of the NODOM SINMUN article which contains attacks on the establishment of Hungarian-ROK relations. Publication of this article obviously served a purpose. But we stress that this does not bother us at all, because we recognized long ago that remaining silent is much worse than providing complete information, because silence makes people think that we have something to hide. We do not have anything to hide, as is shown by our foreign minister's open words in the Forum program on 22 September; everything we have taken upon ourselves, we have done with full responsibility because we want to improve things, rather than damage things.

These are our clear efforts in the new stage of settling Hungarian-Romanian relations. Last week's events showed that we had advanced one step. Opportunities have emerged for developing the process that started in

Arad, and, quite essentially, for showing the public that things that did not turn out in accordance with our intentions in the first meeting might be achieved during further negotiations. Karoly Grosz' words in the Szeged television studio left many people dissatisfied, and we did not hide this fact either. However, it was already obvious then that we were facing a long and difficult stage in the negotiations, a stage full of contradictions. Our efforts do not slacken even for a moment. This week's events—Matyas Szuros' visit and the government program—could give a new impetus to these negotiations. Everyone should now be patient, understanding, and good-willed, both within our borders and beyond, in order to allow slow diplomacy to work.

Israeli Minister Sharon on Trade Possibilities

LD1710162288 Budapest MTI in English 1523 GMT 17 Oct 88

[Text] Budapest, October 17, 1988 (MTI-ECONEWS)—Ari'el Sharon, Israeli minister for industry and trade, who is on an unofficial visit to Hungary, gave an exclusive interview with ECONEWS.

"My reasons for being here are that the Government of Israel is interested in developing relations with Hungary on the basis of mutual advantages. We feel that the current atmosphere in the socialist countries makes this possible," Mr Sharon said.

He said that Hungary was developing very fast in the areas of technology, agriculture and industry. "We believe that Hungary could help Israel market its products in this part of the world. In return, Israel proposes that Hungarian manufactures take advantage of the Israeli free trade agreement with the United States and the one with the European Community," Mr Sharon stressed.

Israel can help Hungary by supplying the most up-to-date technology in electronics, medical equipment, laser technology, biotechnology, and in other fields. "But of course, everything will have to be done according to the agreements Israel has already signed," he said.

Mr Sharon hinted that there was the possibility of setting up a joint venture in the food and electronics industry, using Israeli equipment and American capital.

"As for the Hungarian part, I can say that in order to be able to export to the US market duty free, there should be a JV [joint venture] based in Israel. 35 per cent of the products must be made in Israel, whilst the remaining 65 per cent could be made in Hungary.

"We are currently working on the details of this," Mr Sharon added.

Israeli figures show that Hungarian exports to Israel (USD 20 million) are about twice as great as Israeli exports to Hungary. "So bilateral trade should be balanced. I suggest we buy more and sell more. Israel could buy grain, meat and beef here," he said.

"I suggested here that, by using the influence we have in the international business community, we shall try to attract foreign investors and to help foreign marketing. I also offered help in establishing contacts with investment banks," Mr Sharon stressed.

Bilateral trade should and can be developed, he said, and added: "I personally believe that in three to four years from now, this could amount to 100 million USD on each side. I don't think this is beyond our ability."

An automatic import licensing system will soon be established for Hungarian metals and chemicals, and Hungary is also expected to liberalize its import policy. The Israeli side will reduce the high customs duty on light bulbs. There are opportunities for setting up a JV in manufacturing energy-saving devices. The Hungarian chemical industry is another potential field for JVs.

"I am very optimistic about the future of our relations," Mr Sharon said, "But I have to say that we do not yet have enough information. Our trip was a kind of market-research exercise. We have invited 120 top Hungarian businessmen to the Hungarian week which will be held at the end of November in Tel Aviv, and shall be arranging for them to meet their Israeli counterparts."

There had been some technical problems with flights between Budapest and Tel Aviv, but these were now resolved, Mr Sharon said.

As regards air traffic, Mr Sharon added, "I suggested to Malev [Hungarian state airline] that they took advantage of the circuit flights we are going to organize. Israel plans package tours from the United States via Hungary to Israel and also from Israel via Hungary to the USSR. Particularly the latter is potentially good business, because many Israelis would like to visit the USSR," Mr Sharon said.

Departs 17 Oct

LD1710212288 Budapest MTI in English 1815 GMT 17 Oct 88

[Text] Budapest, October 17 (MTI)—Concluding his unofficial visit to Hungary, Ari'el Sharon, Israeli minister for trade and industry, left Budapest on Monday morning.

The Israeli minister held talks with Tamas Beck, minister for trade, and Frigyes Berecz, minister for industry, on the development of bilateral economic cooperation.

Mr Sharon and the economic, financial and agricultural specialists in his entourage met leaders of the Hungarian Chamber of Commerce, and Danny Gillermann, president of the Federation of Israeli Chambers of Commerce, signed an inter-chamber agreement on the promotion of commercial, economic and technical cooperation. It is hoped that with the agreement, cooperation between the member companies of the two chambers will develop, delegations will be exchanged and continuous information be provided.

During his stay in Budapest, Mr Sharon met the leaders of the Central Board of Hungarian Jews.

Further on Visit of PRC Official Qiao Shi

Visits Gyor-Sopron County

LD1210110888 Budapest MTI in English 2040 GMT 11 Oct 88

[Text] Budapest, October 11 (MTI)—Qiao Shi, member of the Standing Committee of the Political Committee of the Chinese Communist Party Central Committee and secretary of the Central Committee, arrived in Gyor-Sopron County on Tuesday [11 October] for a two-day visit.

Qiao Shi and his party were met in the headquarters of the county party party committee in Gyor by First Secretary Laszlo Lakatos, and Mihaly Szabo, county council president. Laszlo Lakatos reported on the county's economy and current issues of party work. Qiao Shi stressed that China is also progressing with reforms, and it needs infromation on all utilizable practices.

On the request of the delegation, a detailed report was given on the Gabcikovo-Nagymaros barrage work. Qiao Shi and his party then made a walkabout in the centre of Gyor, and visited the Raba factory. Jozsef Szabo, the factory's personnel and social-welfare director, discussed Raba's business relations with China. He said that there are some 1,400 Raba lorries in China. Training of more than 300 Chinese skilled workers in the Raba factory began a year ago. Under the latest contract concluded in summer, Raba is to deliver poultry keeping installations worth 5 million dollars to three Chinese provinces.

After a visit to the Benedictine monastery in Pannonhalma, the delegation left for Sopron.

Meets With Nemeth, Fejti

LD1310120488 Budapest MTI in English 1113 GMT 13 Oct 88

[Text] Budapest, October 13 (MTI)—Qiao Shi, member of the Standing Committee of the Political Committee of the Chinese Communist Party Central Committee and secretary of the Central Committee, who has been visiting Hungary since Monday [10 October] at the invitation of the HSWP [MSZMP] Central Committee, is holding talks with high-ranking party officials on Thursday in Budapest.

During the morning, Mr Qiao met Miklos Nemeth, member of the HSWP Political Committee and secretary of the Central Committee and Gyorgy Fejti, secretary of the HSWP Central Committee. The Chinese politician is expected to meet Karoly Grosz, general secretary of the HSWP, later in the day.

Confers With Grosz, Nemeth

LD1410083688 Budapest MTI in English 1839 GMT 13 Oct 88

[Text] Budapest, October 13 (MTI)—On Thursday [13 October] afternoon Karoly Grosz, general secretary of the Hungarian Socialist Workers' Party, met in the Central Committee Headquarters Qiao Shi, member of the Standing Committee of the Political Committee of the Chinese Communist Party, secretary of the Central Committee, and his party.

The talks were attended by Geza Kotai, head of the CC Foreign Affairs Department. Present was Zhu Ankang, ambassador of the People's Republic of China to Hungary.

During the day the Chinese politician met Miklos Nemeth, member of the HSWP Political Committee, secretary of the Central Committee, and Gyorgy Fejti, secretary of the Central Committee.

Cited on USSR-PRC Summit

LD1410213788 Budapest Domestic Service in Hungarian 1730 GMT 14 Oct 88

[Excerpt] [Presenter] It was a minor, or rather, not so minor, sensation this weekend when it was announced that a Sino-Soviet summit meeting, which has been due for a long time, may take place as early as next year. This was alluded to by Deng Xiaoping before the Finnish head of state, when Deng Xiaoping said that he might meet the Soviet party general secretary before he completes the 85th year of his life— in other words, before next August.

Yesterday I raised this question with the CPC Central Committee secretary [Qiao Shi] who is staying in Budapest. He replied that the Chinese leadership is striving for an improvement in Soviet-Chinese relations, and that Deng Xiaoping was the first to make a proposal to hold a summit meeting. He added, however, that for this to take place the Soviet Union will have to prevail on Vietnam—this was his formulation—to withdraw its troops from Cambodia. If this condition is fulfilled, then the summit meeting could take place. This reflects the long-standing, known Chinese stand. [passage omitted]

Discusses PRC-Hungary Ties

LD1510161388 Moscow TASS in English
1522 GMT 15 Oct 88

[Text] Budapest October 15 TASS—NEPSZABADSAG newspaper carries an interview with Qiao Shi, member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China (CPC), member of the Secretariat of the CPC Central Committee, who recently stayed in Hungary at the invitation of the Central Committee of the Hungarian Socialist Workers' Party (HSWP).

Qiao Shi pointed out in the interview that "processes of transformation are taking place in many socialist countries now. The opinion of the People's Republic of China (PRC) is that each party has a right to determine its policy with due regard for the specific position of its country. Naturally, one can take the experience of other countries into consideration but there is no need to copy it or to impose one's methods upon others. Individual socialist countries should respect one another and act independently. In relations between fraternal countries one should adhere to five basic principles. Only in this way it is possible to form genuine, friendly relations".

In answer to the question about a possible holding of a Soviet-Chinese summit meeting in the future, Qiao Shi said, in particular: "The PRC earnestly hopes that this event will be able to improve relations between the two countries. The question of such a meeting was first raised by Comrade Deng Xiaoping".

"The CPC and the HSWP, China and Hungary are brought together by traditional friendly relations. Mutual top-level visits of the party and state leaders of China and Hungary in recent years particularly promoted the expansion of fraternal cooperation. The two countries are facing common goals: the building of socialism and a reform of economic and political mechanisms. Hungary is in the vanguard of socialist countries in the realisation of these transformations. The PRC devotes much attention to economic, technical and cultural cooperation with Hungary and to mutual exchanges of experience".

"Further development of relations between the two parties and the two states meets the basic interests of the peoples of China and Hungary, and serves the cause of peace and progress of mankind", Qiao Shi emphasized.

Meets With Lukacs, Departs

LD1410214188 Budapest MTI in English
1809 GMT 14 Oct 88

[Text] Budapest, October 14 (MTI)—Janos Lukacs, member of the Hungarian Socialist Workers' Party Political Committee and secretary of the Central Committee, Friday [14 October] held closing discussions with Qiao Shi, member of the Standing Committee of the Political Committee of the Chinese Communist Party Central Committee and secretary of the Central Committee, and the Chinese delegation he headed on a visit to Hungary. At cordial talks the sides discussed the experience of the visit.

During their stay, Qiao Shi and his party met Karoly Grosz, general secretary of the Hungarian Socialist Workers' Party [HSWP], Janos Lukacs, Miklos Nemeth, members of the HSWP Political Committee and secretaries of the Central Committee, and Gyorgy Fejti, secretary of the Central Committee. The Chinese delegation visited Gyor-Sopron and Veszprem Counties, and was familiarized with the sights of the capital.

Qiao Shi and his party left Budapest on Friday afternoon for Berlin. The delegation was seen off at Ferihegy airport by Janos Lukacs.

GDR Leaders Greeted on National Day

LD1210234488 Budapest MTI in English
2214 GMT 6 Oct 88

[Text] Budapest, October 6 (MTI)—To mark the 39th anniversary of the proclamation of the German Democratic Republic, Karoly Grosz, general secretary of the Hungarian Socialist Workers' Party and chairman of the Council of Ministers, and Bruno F. Straub, president of the Presidential Council, cabled their good wishes to Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the Council of State of the GDR, and Willi Stoph, chairman of the Council of Ministers of the GDR.

Teachers Demand 40-Percent 1989 Pay Raise

LD1710123788 Budapest MTI in English
1107 GMT 17 Oct 88

[Text] Budapest, October 17, 1988 (MTI-ECONEWS)—Hungarian teachers are demanding a minimum pay rise of 40 per cent from the government next year, and want assurances that their annual wage increase will at least keep up with the national economic averages. It is anticipated that next year's general nominal wage growth will be between 6 and 8 per cent.

During their meeting over the weekend, leaders of the Hungarian Teachers' Union stated that teachers in Hungarian schools get an average monthly salary of 6,472 forints (USD 125), as compared to the 8,259 forints (USD 153) professionals earn. Teachers are also 30 per cent worse off than blue-collar workers.

Last year, teachers in higher education got a central rise of between 7 and 10 per cent, but this did not make any noticeable difference. The Hungarian Teachers' Union

complained that highly qualified professional work still was not being appropriately remunerated. A central wage increased of 10 per cent was last implemented in 1984.

The main reservation voiced by the Hungarian Teachers' Union about the government's wage reform plans was that it would not include an examination of the distorted order of social values.

Patriotic Front Discusses Right of Assembly

LD1310114588 Budapest MTI in English 1953 GMT 12 Oct 88

[Text] Budapest, October 12 (MTI)—At its Wednesday [12 October] session the Constitutional Committee of the Patriotic People's Front (PPF) summed up the public debate over the bills on the rights of assembly and association, and the related draft position of the PPF and national Presidium.

In his keynote address, Secretary Istvan Kukorelli concluded that the bills' concept of interpreting the rights of assembly and association as donations of the state gave rise to general objection during the public debate. According to some views, it would be inexpedient to enact the laws before the Constitution has been revised and redrafted, otherwise there might emerge contradictions between the laws and the Constitution. Many people challenged the possibility of banning assemblies in advance, saying it would be enough to declare that exercise of the right of assembly should not lead to crime. As to the bill on association, the issue of strengthening confidence between the state and the citizen stood in the focal point of debates. It met with general objection that the bill seeks to regulate the various organizations in different ways. A marked demand for uniform regulation emerged.

At the session Deputy Justice Minister Ferenc Petrik announced that a new working copy of the bills taking into consideration the social debates has been completed. He did not agree that the bills reflect distrust towards society and demonstrate regression. Admitting that a few points of the draft are disputable, he stressed that a generally acceptable solution can only be reached in an atmosphere of mutual confidence, democracy and high-level political culture. He said that as it is an inalienable fundamental right, there should be fewer limitations. He said the distinction of social organizations was also a just objection and added that the new bill will extend the right of association, in consideration of certain characteristics, to the political parties and interest organizations.

In connection with the right of association, he said it was justified to rule out the possibility of advance prohibitions, but for public security reasons the state authorities should be able to restrict the place and time of demonstrations. He also agreed that the regulation should only cover events to be held in public areas.

During the debate it was formulated that formation of a political party is basically a matter of political decision and is outside the scope of the right of association. The political leadership should decide if conditions in Hungary are sufficiently mature for the introduction of the multi-party system, and if the answer is negative, the right of association should be restricted to non-political parties. The representative of the Hungarian Lawyers' Association pointed out that the right of assembly and association is not a state donation but a fundamental right, the free exercise of which has to be guaranteed by the courts which should be adequately prepared for the task.

REFORM Editor Explains Publication Stoppage

LD1210162188 Budapest Television Service in Hungarian 1830 GMT 12 Oct 88

[Excerpt] Last Tuesday's [4 October] FRANKFURTER ALLGEMEINE ZEITUNG carried an article on Hungary's REFORM the independent democratic news magazine. They said that the publication had been banned after two issues. Laszlo Juszt asked editor in chief Peter Toeke for the truth of the matter:

[Toeke] I would start by saying the FRANKFURTER misunderstood, for we said there would be a technical break of 1 month. They understood this to be silence, a ban of 1 month because of one of the articles. In Hungary, the fear, or rumor, that it had been banned is quite justified, because the magazine really did not appear, and we had no means of announcing this beforehand.

What happened was that when we were planning the publication, we planned for 80,000 copies, and in accordance with this, we asked for 40 tonnes of paper, for several sample issues. This would have been enough for four issues, but 102,000 copies of the first issue have already been sold, and we began increasing the number of copies, at the request of the Post Office. While there was paper in the machines, we printed. The paper ran out at 204,000, and with that we came to a standstill. When we stopped, we had no paper left for the third or possible fourth edition, so it was a forced stoppage. [passage omitted]

Economic Results for Jan-Aug Announced

AU1410151788 Budapest NEPSZABADSAG in Hungarian 12 Oct 88 p 10

[Unattributed report: "Main Statistical Data on Economic Situation—Economic Performance for January-August 1988"]

[Text] January-August 1988 (Data as a Percentage of Performance During the Same Period Last Year)

Industrial State and Cooperative Enterprises		
Volume of gross production:		
Industry total		100.3
within this:	metallurgy	103.5
	machine industry	100.7
	chemical industry	102.1
	building material industry	103.7
	light industry	100.4
	food industry	97.2
Industry, excluding food		100.9
Number of employees		97.1
Gross industrial product per employee		103.3
Construction Sector of the Building Industry		
Production of the building industry		100.7
Number of employees		99.5
Foreign Trade (at current prices)		
Imports		100.1
	Ruble accounts	97.6
	Non-ruble accounts	102.3
Exports		109.5
	Ruble accounts	95.4
	Non-ruble accounts	123.8
Retail trade turnover (at current prices)		110.9
within this:	Food, beverages, and tobacco	109.8
	Clothing	102.0
	Miscellaneous industrial articles	113.7
Procurement of agricultural products		105.6
within this:	Plant cultivation and garden products	118.9
	Live animals	99.5
	Animal products	101.4
Achievement of Transportation Enterprises		
Goods delivery (based on goods-tonnage/kilometers)		113.0
Long-distance transportation of passengers (based on passenger kilometers)		101.1
Population revenues from central resources		112.6
Consumer price index		116.0
within this: August 1988 as compared to July 1988		100.1

In the period January-August 1988, production by state and cooperative industrial enterprises increased by 0.3 percent compared with the same period last year. Not including the food industry, it increased by 0.9 percent. Production in the basic material sectors increased by 3.3 percent, production by the processing industry increased by 0.6 percent, and production by the energy sector decreased by 2.6 percent compared with the same period last year. Within the branches of the processing industry, the chemical industry (without the energy sector) increased its production by 5.8 percent, machine industry production increased by 0.7 percent, and light industrial production increased by 0.4 percent, compared with the same period last year. Food industry production decreased by 2.8 percent. Domestic industrial sales decreased by 0.7 percent, and industrial exports, primarily to convertible currency markets, increased by 6.6 percent, compared with the same period last year.

The value of the retail trade turnover in the first 8 months of the year increased by 10.9 percent, while its quantity decreased by 5.1 percent.

The consumer price index rose by 16.0 percent compared with the same period last year. The greatest increase took place in the price of basic consumer goods which make up about half of the overall consumption, as well as in the price of housing purchase and construction (by 18.7 percent.) The increase in the prices of consumer goods other than basic consumer goods (for example, durable consumer goods) was loweer and totaled 14.2 percent. The lowest price increase took place in the case of goods which are not basic consumer goods and which make up about one-quarter of the overall consumption (for example, the purchase and maintenance of private cars). The consumer price index in August increased less than in the previous year (by 14.7 percent). This can be partially explained by the fact that seasonal goods were much cheaper this year compared with last year, and that this compensated for the price increases in other areas; and partially by the fact that, due to the large-scale price increases last July, the average level of consumer prices last August was already quite high, and that the price increases that have taken place ever since were carried out from a higher base.

Socialist organs spent 114.3 billion forints on investments this year, or 8.1 percent more than last year. Payments to large-scale investments and to local council investment projects decreased, and increased to other investment projects. According to the data on the first 6 months of the year, fewer investment projects were started than in the same period last year, but the proportion of processing industry investments increased.

The amount of imports accounted for in rubles increased, and those accounted for in currencies other than the ruble decreased. Also, the overall level of imports decreased compared with the same period last year. As a result of an increase in exports accounted for in convertible currency, the amount of exports increased compared with last year. Contrary to last year's considerable deficit, the foreign trade turnover this year showed a surplus. The improvement took place in the turnover accounted for in currencies other than the ruble.

More on Visit of Deputy Secretary Whitehead

'Constructive Approach' Noted

AU1710141988 Warsaw RZECZPOSPOLITA in Polish 15-16 Oct 88 p 11

[Lech Kantoch commentary: "Poland-United States: Bigger Steps Necessary"]

[Text] Visits to Poland by American politicians have been rare this decade, due to a hostile attitude toward Poland by the United States and other Western countries. For over 1 year, there has been less interest in Poland as a tool of East-West confrontation, and a growing tendency toward cooperation and a normalization of relations.

One should see the third visit to our country by John C. Whitehead, U.S. deputy secretary of state, in this light.

Our country's authorities have been turning to the United States with an offer to normalize relations for a long time. However, the Washington administration adopted a wait-and-see stand, and so did other Western countries. This was not just the result of speculation about the outcome of events in Poland, but also a game that was being played against it, using antisocialist forces.

But this did not prevent the American side from declaring its goodwill, which only boiled down to verbal assurances.

Mieczyslaw F. Rakowski has said it is necessary to break with this policy. He pointed out that "if the United States treats its previous declarations in favor of bold Polish reforms seriously, then there is no longer any reason to impede our cooperation with international financial organizations. We are open to a further improvement in our relations with the United States. Washington says: step by step. All right, but let these steps be bigger."

Visiting Poland, John C. Whitehead had yet another opportunity to hold talks with representatives of Polish political life. He was received by Wojciech Jaruzelski, Mieczyslaw F. Rakowski, and Jozef Czyrek. He met with Foreign Minister Tadeusz Olechowski twice.

During these talks there were exchanges of views on international topics. Satisfaction was expressed with the positive trends that have appeared in East-West relations. The two sides discussed at length Polish-U.S. relations, which are constantly improving. The U.S. State Department representative's constructive approach was noteworthy.

Even so, the American approach to Poland should evolve further so that words are followed by deeds, because there have been too few deeds so far. There is also a visible need for the Americans to increase their understanding of Polish affairs and dispense with stereotypes and advance assumptions.

The American authorities declare their desire to improve relations with Poland. However, the developing political dialogue is not backed by a development of economic and trade relations. A complete normalization of financial-credit relations would permit a more comprehensive development of contacts that would not only cover trade, but would also determine further progress, chiefly in economic cooperation.

Departing Comments Reported

AU1810145788 Warsaw TRYBUNA LUDU in Polish 15-16 Oct 88 p 2

[PAP report: "The U.S. Deputy Secretary of State Has Ended His Polish Visit"]

[Text] On 14 October, John C. Whitehead, U.S. deputy secretary of state, completed his 2-day visit to our country. This was the American diplomat's third trip to Poland in 2 years. The visit served to reinforce the positive trends in Polish-American relations.

At Warsaw's Okecie Airport, John C. Whitehead was bidden farewell by Jan Majewski, undersecretary of state for foreign affairs.

"I have spent 2 very industrious and fruitful days in Poland," said the deputy secretary of state at a press conference before his departure from Warsaw. In his introductory statement, he stressed that his visit had been very useful and had moved the question of Polish-U.S. relations forward. Speaking about his meetings in Warsaw, John C. Whitehead said that during a 1 and ½ hour talk with Wojciech Jaruzelski, he had acquainted himself with W. Jaruzelski's analysis of the international situation. During this talk, John C. Whitehead presented the American stance on world events, including the prospects of nuclear and conventional arms reductions and a peaceful settlement of conflicts in such regions as Afghanistan, Angola, and Cambodia.

Also a subject of the talk with Wojciech Jaruzelski was the situation in Poland. John C. Whitehead said that the United States wishes to do all it can to support the emerging positive tendencies that could lead to greater pluralism, democracy, and prosperity for all Poles. "I told W. Jaruzelski," said the deputy secretary of state further on in his statement, "that we wish the participants in the 'roundtable' all the best." Whitehead affirmed that the United States is ready to increase its cooperation with Poland in line with the development and results of the economic reform.

"In my talks with the Ministry of Foreign Affairs, I also reviewed our bilateral relations," Whitehead continued. "We have achieved considerable progress over the past 2

years. Our policy of proceeding 'step by step' has brought success. We agreed with Premier Rakowski that we should aim toward bigger steps."

In reply to a question asking for an assessment of the situation in Poland, John C. Whitehead said that what is happening in our country is very interesting; this is a time of great possibilities for Poland. Referring to the "roundtable" talks, he hoped that they would achieve positive results and that the participants would approach them in good faith. These talks provide a major possibility for Poland to take a big step toward objectives concerning which all Poles are in agreement.

Asked by PAP's L. Kubiak to comment on Premier Mieczyslaw F. Rakowski's Sejm speech, including the part on the subject of Polish-U.S. relations, John C. Whitehead said that the new premier's speech had made a great impression on him. He hoped the new Polish premier would achieve progress in the reforms. "As far as Premier Rakowski's remarks on the subject of relations between Poland and the United States are concerned, we agree with him completely. The premier spoke in positive terms about what we call the 'step by step' policy in improving our relations."

Several other questions asked of John C. Whitehead concerned the possibility of expanding economic cooperation between the two countries. These matters were the subject of earlier talks between the deputy secretary of state and FRG Foreign Minister H.D. Genscher, in which views were exchanged on the subject of Poland's talks with the IMF, which Whitehead thinks will lead to an accord.

When asked by French correspondent Bernard Margueritte whether the United States is considering giving aid to such socialist countries as Poland and Hungary, the deputy secretary of state replied that one cannot compare these things. Eastern Europe needs Western help, but it must aim toward economic modernization itself. The Poles must commit themselves to the process of modernizing the economy by, among other things, increasing export possibilities, developing markets for the goods which Poland has to offer, and encouraging Western partners to invest in Poland.

Polish-American Economic Council Meets 6-7 Oct

1st Day's Session Reported

AU1310131188 Warsaw TRYBUNA LUDU in Polish 8-9 Oct 88 p 9

[PAP report: "Seeking New Mechanisms for Developing Trade"]

[Text] Washington—PAP correspondent Jerzy Gorski writes: During the plenary meeting of the Polish-American Economic Council on 6 October, U.S. Secretary of Commerce William Verity sent a message to its participants, saying that he hoped that the session would serve as a strong stimulus for further development of Polish-American trade relations.

"Above all, the council session will help American firms to better understand the emerging possibilities of joint industrial ventures in Poland as a result of the reform," said the U.S. secretary of commerce in a letter addressed to the session.

Allen Moore, under secretary of commerce, addressed the session. He pointed out the 30 percent increase in Polish-U.S. trade in 1987, to which one should add the 30 percent increase that has already occurred in 1988. Polish exports to the United States, said the U.S. under secretary of commerce, should reach $400 million this year, the highest level since 1980; whereas U.S. exports to Poland this year will reach about $380 million, which represents a 100 percent increase over the past 2 years. We hope this increase will continue in 1989.

Allen Moore said that the improvement in U.S.-Polish relations is encouraging such a major growth in Polish-American trade.

Acknowledging Poland's efforts to develop Polish-American trade relations, A. Moore said that Deputy Premier Sadowski's visit and talks with Secretary of Commerce W. Verity have provided valuable information about the Polish economic reform and industrial restructuring.

We look forward with interest to the talks between Undersecretary of State A. Wojcik and Secretary W. Verity on the possibilities of expanding economic cooperation between Poland and the United States, said A. Moore.

Working relations between U.S. and Polish Government representatives are developing favorably, he continued. However, they cannot substitute for direct contacts between American firms and Polish enterprises. Polish-American trade may only develop as a result of direct efforts by industrial and commercial organizations of both countries, said A. Moore.

Examining the prospects for the development of Polish-American economic relations, A. Moore said that these depend on:

1. The trade activity of Polish enterprises, which will be able to indulge in direct cooperation with American firms without any bureaucratic interference;

2. Poland's efforts to modernize key branches of industry, which should permit an expansion of trade between Polish and American enterprises;

3. Greater possibilities for creating Polish-American joint ventures in Poland; however, these undertakings must provide sufficient stimuli for foreign partners to indulge in this type of activity.

The American side, A. Moore continued, realizes the restrictions on the development of Poland's trade with the West because of the shortage of hard currency and the servicing of foreign debts. However, the problem of debts should not be an insurmountable barrier to a further development of Polish-American trade. One should consider new forms and mechanisms of this trade, including the leasing of machinery and equipment to foreign firms by Polish enterprises. These leasing operations could be accompanied by limited credits, said A. Moore.

He added that the United States is deeply convinced that the Polish economic reform will have a major effect on the growth of Polish-American trade.

Next to speak was Alan Larsen, chief counsel for economic affairs. He said that Poland is a country of major importance for U.S. foreign policy and that right now, Polish-American relations rest on a sound basis and will develop increasingly.

The United States is closely monitoring the process of political democratization and economic reform with positive feeling, A. Larsen continued. He hoped the roundtable talks would take place in a climate of mutual understanding, great patience, and openness.

The United States realizes that a lot depends on the results of these talks and that they are important not only for a development of pluralistic trends in Poland, but also for the entire economic reform process, said A. Larsen. The United States supports the objectives of the Polish economic reform program. However, despite the bold nature of the reforms, it would be unrealistic to expect rapid economic results.

No one should have any doubts about the fact that the Polish economic reform and restructuring process will be very painful to Polish society, but this is the only way to develop the Polish economy and improve Polish society's standard of living, said A. Larsen.

Andrzej Wojcik, Polish secretary of state for foreign trade, discussed the fundamental changes in running the Polish economy and the progress in implementing the reform and the consolidation program. He pointed out the possibilities which the Polish economic changes are presenting to foreign partners. He said that the process of opening up the Polish market, the growing independence of enterprises, and the foreign currency-earning possibilities of these enterprises are opening up new prospects for economic cooperation with American firms.

The eighth Polish-American Economic Council session possesses a working spirit. It has been concentrating on concrete problems, the solution of which is a condition for the expansion of Polish-American cooperation. The session is discussing the entire sphere of problems concerning Polish-American trade and concrete ways of encouraging it.

The American side accords the eighth session great importance. Apart from representatives of President Reagan's administration, representatives of over 100 American firms are taking part.

Poland is represented not only by the foreign trade sector, but also by industrial enterprises.

The key feature of the session is an effort to find new mechanisms for developing trade, such as joint industrial ventures, export plans, new ways of financing concrete plans, and the leasing of industrial premises and equipment.

The Polish side put forth the idea of finding new mechanisms in order to develop trade. The American partners fully accepted this idea.

At the same time, representatives of many American firms pointed out the need to relax the controls over American exports.

2d Day's Talks Summed Up

AU1310111588 Warsaw TRYBUNA LUDU in Polish 7 Oct 88 p 6

[PAP report: "The Absence of Stability and the Danger of Strikes Are Discouraging Cooperation With Poland"]

[Text] Washington—PAP correspondent Jerzy Gorski writes: On the second day of the Polish-American Economic Council session, working commissions and groups continued their discussions.

The first commission discussed the new Polish legislation that permits economic participation by foreign businesses and foreign investments. The second commission discussed agricultural cooperation.

Representatives of American firms and Polish enterprises also held talks in groups divided by subject involving the electronic, construction, machine, and market commodity industries. These talks discussed the possibilities of greater cooperation between Polish and American enterprises.

Poland presented the provisions of the draft law on economic participation by foreign businesses and foreign capital, which attracted a great amount of interest and caused a lively discussion. These provisions were generally assessed as positive.

Reservations were voiced about the size of the capital transfer tax, which is perfectly natural because each enterprise would like to reap maximum financial advantage from its activity.

The Polish delegation said that it fully respects the American side's reservations in view of the increasing rivalry surrounding American investments. More and more countries are competing for foreign investments, recognizing that this is one way of achieving development and economic progress.

It was clear from the speeches of the representatives of American firms that domestic stability in Poland and stable conditions for the economic reform are essential factors to be taken into account when deciding on economic cooperation in Poland and taking the risk of investing there.

In the speeches at the council forum and in the working groups, it was stressed that the Polish economic offers are very attractive, but the absence of stability and danger of strikes are discouraging American firms from cooperating with Polish enterprises and investing their capital in Poland. The American side pointed out that in investment policy and foreign economic cooperation, U.S. economic and financial circles are attaching increasing importance to domestic stability and social calm in the countries with which they wish to cooperate.

Agreeing with this view, the Polish side pointed out that American fears of investing in Poland have not only been caused by reports on strikes and unrest in Poland, but are also the result of a limited knowledge of the conditions prevalent on the Polish market and by prejudices that can only be removed by the presence and activity of American firms in Poland. Their presence there is one of the best ways of convincing everyone of Poland's open invitation to have foreign investments in its country.

Tadeusz Zylkowski, president of the Polish Chamber of Foreign Trade, held talks with Richard Lesher, president of the American Chamber of Commerce, on the subject of the problems involved in expanding cooperation between the two chambers of trade.

They discussed the possibility of greater involvement by the American Chamber of Commerce in publicizing on the U.S. market the Polish law on economic participation by foreign businesses and foreign investments, and publicizing the possibilities which the Polish market is offering foreign investors today.

The president of the Polish Chamber of Foreign Trade held talks with Frank S. Swain, member of the leadership of the "Small Business Administration," a U.S. Government federal agency, and pointed out the great possibilities for cooperation between small American enterprises and similar ones in Poland.

The president of the Polish Chamber of Foreign Trade also held talks with Donald W. Davis, president of the National Association of American Industrialists [Krajowe Stowarzyszenie Przemyslowcow Amerykanskich], on the conditions governing management counseling for Polish enterprises.

Session's Proposals, Results Noted

AU1210200288 Warsaw TRYBUNA LUDU in Polish 10 Oct 88 p 6

[Washington dispatch by PAP Correspondent Jerzy Gorski: "Specific Proposals"]

[Text] The session of the Polish-U.S. Economic Council on further development of economic cooperation and trade ended on Saturday.

Dale Hathaway, the U.S. chairman, said that the present session was the best and most productive meeting for many years on specific issues of Polish-U.S. economic cooperation.

He stressed the special importance for the development of that cooperation of the presence of representatives of U.S. and Polish enterprises interested in mutual contacts.

Tadeusz Zylkowski, chairman of the Polish delegation and of the Polish Chamber of Foreign Trade, shared the views of the U.S. side and stressed that the participation of such a large number of U.S. and Polish enterprises showed that sides want to search for new forms of economic and trade relations.

T. Zyklkowski proposed that during the coming session of the Polish-U.S. Economic Council in Poland representatives of U.S. firms should make a reconnaissance on the spot, visit Polish enterprises, and study their production potential and their ability to cooperate on and realize joint export ventures.

The Polish and U.S. delegations agreed that the coming session of the Polish-U.S. Economic Council should be a "visiting session," one during which council members and representatives of U.S. enterprises will talk in Polish enterprises about specific forms of cooperation.

Chairmen of the two delegations stressed in their concluding speeches that the proposals that created special interest at the working and plenary sessions concerned joint ventures, joint capital investments, the Polish bill on the participation of foreign firms and capital in Polish ventures, and training the managing cadres of Polish enterprises in management.

The eighth session of the Polish-U.S. Economic Council proposed that U.S. management experts travel to Poland to advise Polish enterprises on management techniques.

The session also proposed to invite selected managers of Polish enterprises for 18-month training work in the United States.

At the end of the session Trade Secretary William Verity received Andrzej Wojcik, secretary of state in the Ministry of Foreign Economic Cooperation, to have talks on extending U.S.-Polish economic and trade cooperation.

The sides also discussed the proposals of the eighth session of the Polish-U.S. Economic Council on expanding economic cooperation and on further activities to diversify Polish-U.S. trade.

The sides devoted special attention to the activities that should help to realize joint ventures assisted by U.S. enterprises, to modernize Polish industrial enterprises, and to implement export ventures.

Official Upbeat on Economic Ties

AU1210181588 Warsaw TRYBUNA LUDU in Polish 10 Oct 88 p 6

[Interview with Tadeusz Zylkowski, chairman of the Polish Chamber of Foreign Trade, in connection with the eighth session of the Polish-U.S. Economic Council, which ended on 8 October in Washington, by Zygmunt Broniarek: "We Expect More Dynamic U.S. Activities in the Polish Market"—Washington, date not given]

[Text] [Zylkowski] The Polish-U.S. Economic Council is a nongovernment organization, although Polish and U.S. government representatives attend its sessions. The Polish Chamber of Foreign Trade participates on behalf of Poland and the U.S. Chamber of Trade on behalf of the United States. The significance of the eighth session is that it is the first normal session, following a period of stagnation in our relations. The seventh session was held in Poznan last year for the first time since 1981 and produced the first harbingers of normal relations. Please compare the number of delegates in Poznan and now in Washington: About 30 on either side there and about 50 on either side here.

But aside from numbers, at the present session we were able to present the bill on economic activities supported by foreign firms. This bill is called the Polish law on foreign investments.

This bill represents a radical modification of the 1988 joint ventures law, which has not fulfilled all hopes placed in it. The present bill makes considerable allowances for the criticism of foreign partners, including U.S. partners, and is new. That bill, which we discussed in detail at the present session, attracted a great interest among our U.S. partners.

[Broniarek] It is common knowledge that no transactions are concluded at such sessions and that mutual information and efforts to "improve the atmosphere" are the sessions' official goal. But more and more people in Poland seem to think that there have been too many Polish-U.S. meetings that merely try to "improve the atmosphere" without producing any specific results. Do you agree?

[Zylkowski] In part. The sessions of the council cannot do what is not the council's task. On the other hand, such sessions help to establish contacts that may produce trade and other contracts. I would also like to stress with special force that our sessions are attended by representatives of Polish firms such as Elektromontaz-Export, Stalowa Wola, and Hutmen, and of U.S. firms, such as the Coca-Cola Trading Company, Cargill International (grain trade and storage), and Silicon Technology Corporation, which means that our sessions are not meetings of clerks, but of the people concerned with production and trade.

You mentioned exchanges of information and you were skeptical about them, although they are an important issue. For example, one of my partners did not know that almost 50 percent of new members of our Chamber of Foreign Trade represent the private sector.

Tadeusz Kaminski, chairman of Interpolcom (Polish-Polonia Trade Chamber) said at the meeting of the working group for joint ventures something that was received with enormous interest and even astonishment, namely, that the firm Plastomed, whose parent firm produces electronic medical equipment in the FRG, operates in Poland and employs 600 employees, of whom 200 possess the highest scientific qualifications. They are such outstanding experts that that FRG firm has transferred all its research facilities to Poland.

[Broniarek] You have mentioned two working groups: for joint ventures and for agricultural business. I have heard that the deliberations of these groups have been too polite, although they should have been very hot.

[Zylkowski] Perhaps you have not been behind the scenes very often, where discussions were quite hot. I agree with you that both sides, I stress both sides, need to be more aggressive in the good sense of the word. We must convince the U.S. side with our words and deeds that, despite obstacles, our reform continues to win ground, especially since awareness has gained strength in Poland that there is no other way out than reforms. On the other hand, the Americans must comprehend more than ever that reform and that awareness are their natural allies. We expect them to show more elan in their activities in the Polish market.

Baka Comments on IMF-World Bank Talks

AU0510093688 Warsaw TRYBUNA LUDU in Polish 30 Sep 88 p 5

[PAP report: "Wladyslaw Baka on the Results of the IMF-World Bank Congress"]

[Text] West Berlin—Following the talks between the IMF and World Bank, Wladyslaw Baka, PZPR Politburo

member, Central Committee secretary, and Polish governor in the World Bank, provided a comment at the request of PAP correspondents:

After a 2-year impasse, a breakthrough has finally occurred concerning Poland's membership in one of the groups that are part of the IMF and World Bank framework. The executive director of the Italian group will effectively represent Poland's daily interests. This will permit Poland's full participation in the work of both these major financial institutions.

There was criticism of the fact that a debtor country must first reach agreement with all three sides—the IMF, World Bank, and Paris Club—before any one of them will help him. We consider this situation absurd and useful to no one. Some of the leaders of the IMF and World Bank, plus the financial press, agree.

We held talks with the leadership of the IMF and World Bank, finance ministers, and bankers on the subject of Poland's financial cooperation with foreign countries. Generally, the climate of the talks was favorable. Last year they would have been impossible. The best talks took place with the finance ministers of Italy and Austria.

We received confirmation that the World Bank is interested in launching two projects in Poland which would cover important investments in industry and agriculture. Evidence of our desire to tidy up our economy is the condition on which a positive decision depends. Hence the importance of present efforts to consolidate the national economy as part of the program of adjustment. The main criteria of this program are: the achievement of market equilibrium, the tidying up of the economy, and, in the long run, achieving a stable foreign trade balance.

I wish to emphasize that we are pursuing our policy not out of a desire to obtain credits, but out of an understanding of the fact that such are Poland's needs. The adjustment measures agreed on with the IMF and World Bank fit the general definition of economic rationalization which meets international recognition. Therefore, international financial institutions must have confidence in Poland's creditworthiness. The same relations come into play here as those between a bank and its customer.

The general principles of rationalization foresee the application of certain features. The main point is to take advantage of human and scientific potential. The economic system ought to release people and economic bodies from the restrictions that prevent a rational use of the reform. A proper functioning of the market and an aim to achieve equilibrium as a condition for this market's functioning are exceedingly important. We intend to run an economy that is open to the world, one that facilitates a transfer of technology and permits competition.

This policy conforms to tried and tested methods of management. We have no alternative but to pursue it, otherwise we will be threatened by social corruption, a psychological collapse of the nation, and unhappiness. If parochial interests of individual groups interfere in this work, they must be eliminated. The new style of exercizing authority, especially openness, will be conducive to this, because parochial interests flourish best in the shadows. The party leadership is fully aware of this. Our only concern is that the adjustment measures do not threaten the standard of living.

As far as international economics and finance are concerned, Poland does not need any special treatment, W. Baka continued. All we need are normalized relations. Instead of being treated like a whipping boy, we need the same kind of approach from our partners as their approach toward Hungary and Yugoslavia. Quite simply, we need a clause of fair treatment. The coming months will show what the West's real intentions toward us are.

The West Berlin IMF-World Bank session has revealed new trends in thinking. Our stance on the subject of economic policy and debts belongs to a stream of various initiatives, for example Mexico's idea of an international pact on development. The world can feel a growing conflict between debtors and creditors. There is a growing danger of disaster in the form of an outbreak of social dissatisfaction and unrest. Solving our country's problem of debts lies as much in the interests of Poland's creditors as it does in the interests of Poland itself, and it will be favorable for East-West relations. A politically stable Europe depends on a politically stable Poland and, in turn, Poland's political stability depends directly on its economic stability.

A new structure of world forces is appearing in the economic and financial sphere. We want Poland in the family of socialist states to find its place in this new environment. The position of the socialist states in this environment will depend on how our system accelerates its development. Relations between foreign countries and Poland will also depend on the position of the socialist system in the world.

I would like to emphasize, W. Baka concluded, that no one will help us or heal our economy if we do not do it ourselves. Polish problems must be solved on the banks of the Vistula. The approach of international financial circles may facilitate solutions, but will not remove all the difficulties. Nearly everything depends on us!

Pope Receives Barcikowski, Polish Delegation

LD1710181688 Warsaw PAP in English
1641 GMT 17 Oct 88

[Text] Rome, Oct. 17—Pope John Paul 2 received Kazimierz Barcikowski, deputy president of the Council of State and cochairman of the joint Government-Episcopate Commission, at an audience here today. Barcikowski has come on a special mission on behalf the president of the Council of State.

During a half-hour face-to-face talk Kazimierz Barcikowski presented to the pontiff a message from Wojciech Jaruzelski with cordial greetings on the 10th anniversary of his pontificate.

Next, the pope met in his private library with the entire Polish delegation, which also included: the head of the team for permanent, working contacts between the Polish Government and the Holy See, Minister Jerzy Kuberski and Janusz Fekecz, department director in the Foreign Ministry.

Gifts were exchanged in a cordial atmosphere. Bidding farewell to his guests Pope John Paul 2 said: "Please convey greetings to the president of the Council of State and wishes of success to the new premier."

Directly after the meeting with the pope, Kazimierz Barcikowski and the members of the delegation held a longer meeting with the Vatican secretary of state, Cardinal Agostino Casaroli.

Barcikowski told PAP Rome correspondent that he is very satisfied with the atmosphere and course of both visits.

This statement indicates that they will contribute to, among other things, the acceleration of the full normalization of relations between the Polish Government and the Holy See.

16 Oct Gdansk Demonstrations Viewed

LD1710214288 Warsaw Domestic Service in Polish 1800 GMT 17 Oct 88

[Excerpts] We return to news from Poland and to a matter about which we have already spoken and about which we cannot remain indifferent. The events which took place last Sunday [16 October] were shocking. They occurred on a day in which the faithful were participating in masses to commemorate the 10th anniversary of the pontificate of the Polish Pope, John Paul II. They occurred just after the creation of a new government which has initiated energeitc activity to overcome economic difficulties and at a time when Polish society is awaiting with hope the commencement of deliberations of the roundtable. A new situation has arisen in our country. It permits us to entertain hopes for the acceleration of the processes of renewal and democratization. Another characteristic is improving cooperation between the state and church which is constructive for the country's future. In Poland, which is so closely observed by the international community, a new political culture based on principles of dialogue and agreement is being shaped. [passage omitted]

The incident last Sunday is a warning signal that there are forces and people in our country interested in stirring up discontent to negate the process of dialogue and agreement and bring about anarchy. Instead of dialogue, they choose adventurism and take to the street to demonstrate their extremist opinions. Yet again, these political demonstrations and the incidents which result have originated in the Church of St Bridget in Gdansk. This is a distressing fact.

Rakowski Chairs First Ministers Council Meeting

Session Proceedings Reviewed

LD1710184988 Warsaw Domestic Service in Polish 1800 GMT 17 Oct 88

[Text] The Council of Ministers has held its first meeting chaired by Mieczyslaw Rakowski. Wojciech Jaruzelski, Roman Malinowski and Tadeusz Witold Mlynczak took part in the deliberations. The composition of the government Presidium was decided: the premier, the deputy premiers, the minister-head of the Office of the Council of Ministers and also Minister Aleksander Kwasniewski. The division of tasks between the deputy premiers was decided: Ireneusz Sekula will stand in for the premier during his absence and also supervise economic questions; Kazimierz Olesiak will supervise questions of agriculture and the food economy, the protection of the environment and natural resources; Janusz Patorski was charged with questions of scientific-technical progress and tasks in the area of satisfying social needs. The Economic Committee of the Council of Ministers was appointed under the chairmanship of Ireneusz Sekula. The committee will concern itself with coordinating economic activities. The Sociopolitical Committee of the Council of Ministers was also appointed under the chairmanship of Minister Aleksander Kwasniewski. The committee will coordinate sociopolitical activities of ministers.

From 1 November of this year, worker pensions and annuities granted before 1 January this year are to be increased. The increase will on average come to 5,300 zloties and will constitute the successive installment towards next year's revision. The Council of Ministers decided to reduce employment by an average of 20 percent in eight different branches of specialist inspection.

The Council of Ministers also familiarized itself with a report by the minister of internal affairs on the current sociopolitical situation. The government feels that the manifestations of political adventurism such as yesterdays antics around the Church of St. Bridget in Gdansk are provocations intended to torpedo national accord. The indispensible means to counteract attempts to destabilize the country were discussed.

Rakowski, Jaruzelski Remarks Noted

LD1710224788 Warsaw PAP in English 1818 GMT 17 Oct 88

[Text] Warsaw, Oct. 17—Three days after being voted in by the Sejm (parliament) the new Council of Ministers inaugurated its activities here today. Three seats remained vacant during the meeting. The first—of a

vice-premier, the second—of the minister of labour and social policy and the third—of a minister-member of the Council of Ministers. These posts were offered by Premier Mieczyslaw F. Rakowski to reprsentatives of the so-called constructive opposition but the proposal were rejected still—as the premier said—the door still remains open.

The inaugural session was attended by: PUWP CC first secretary, president of the Council of State Wojciech Jaruzelski, the chairman of the UPP (United Peasant Party) Central Committee, Sejm, Speaker Roman Malinowski and the chairman of the DP (Democratic Party) CC, Deputy President of the Council of State Tadeusz W. Mlynczak.

"We are beginning normal work. We will be evaluated according to its results. A spirit of full mutual confidence must prevail in our team," Rakowski said while opening the first session of the new Council of Ministers.

"We must ask basic questions. Does the possibility of overcoming the crisis exist. Are the hitherto directions of reforming the economy appropriate. I answer both question in the affirmative," Rakowski said.

"Otherwise I would not have undertaken the task of being premier. It is not the reform, which is the means to achieve the goal of improving population's living standards, but the lack of consistency in its application which moves the economic equilibrium away from us, hinders the process of overcoming inflation and eliminating economic inertia," he added.

"Only palpable, measurable effects of improvement can overcome the attitude of hopelessness in society," he went on.

"The ways, in which we intend to do this must be contained in the plan of the consolidation of the national economy for the 1989-1990 period," the prime minister said.

"The process of restructuring the economy must be radicalized and accelerated. Decidely greater stress must be put on the increase of the supply of goods and reduction of material and energy consumption. Our assumption is to curb price increases. Thus a significant increase of market supplies, among other things of foodstuffs, must be achieved," Premier Rakowski said.

Rakowski went on to say:

"We are not declaring a programmatic necessity of unemployment but at the same time we must do everything to favour the elimination of uneffective employment in the economy and administration.

"We must arrest the process of the degradation of the natural environment. Envrironmental protection should be closely linked with the programme of restructuring the economy.

"People who want to work better and will make a bigger contribution to the creation of the national income can count on increased incomes," Premier Rakowski said.

He next presented the principles of the internal organization of the government's work. He announced that the Council of Ministers would meet not more frequently than once in two weeks and that the meetings would last no longer than three hours.

"To improve the work of the Council of Ministers we are creating an economic committee and a socio-political committee of the Council of Ministers. The chairman of the economic committee—Deputy Premier Ireneusz Sekula, will be equipped with a separate, specialized institution which will control the course of the implementation of resolutions and decisions concerning the economy," Rakowski said.

"Enterprises should not pay more than two taxes on divisable profits. One of the taxes should be income tax while the tax on excessive wages did not fulfill any of the functions ascribed to it. I, therefore, ask the finance minister to propose within two weeks and table at the session of the Council's Economic committee new tax principles. The credit, subsidy and tax allowance policies must also be changed," Premier Rakowski added.

"There is a pressing need of correcting the old age and disability pension system for farmers," he said.

"The revalorization of people's bank savings must be carried out," the premier stated.

"We must move away from excessive legal rationing which creates too many barriers and limitations for people's initiative," Premier Rakowski continued.

The premier also pointed out that the government was beginning work in a very complicated political situation. "The sources of conflicts have not disappeared. Thus, the welfare of workers and all working people, their needs and perceptions must remain in the centre of the government's attention," he said.

Wojciech Jaruzelski's Address [subhead]

"I recall that in February 1981, the government, which I then led, was called the government of salvation, the government of the last chance. Today we have moved away from the drama of those days and this is the best confirmation of the fact that the road—though spiked with difficulties and not free from various types of mistakes and realizational inconsistencies—was in effect correct," Wojciech Jaruzelski said.

"How should the present government then be called? It is a government of great chance. At the same time one must be aware that the stake is not only of an internal but also international dimension. For this is also a chance for the renewal of socialism, for the directions of its reform, a contribution to the development of East-West relations. Hence we must speak about a historic measure of responsibility which faces the present Council of Ministers. It also imposes very difficult tasks upon it."

"Is the fulfillment of these tasks real? Is the realization of this great chance real? I think that it is." Jaruzelski said.

"This is evidenced by the composition of the new government which includes both members of the former cabinets—who, therefore, have considerable experience and a 'tanned hide.' At the same time this is a qualitatively new government which includes many people, who also have precious experiences and successes, but who have taken up such responsible posts for the first time. I am convinced that this creates conditions for a freshness, modernness and originality of approach to problems which must be solved. It is also a government which matches social expectations though they—as is known—are capricious. However, the majority of our society awaits changes, it is waiting for something clear to begin to happen, that this will enable (people) to look with greater hope to the future, shrug off apathy, pessimism, a feeling of inability. This is also a factor of this chance.

"I am convinced that the government's actions should be, first—brave, offensive, unconventional, overcoming bureaucratic resistance and overcoming populistic demagogy. Second—they should be calculated activities. Not in a dilatory understanding but so that risk, boldness become a conscious choice of greater profit and lesser evil. Third—they must be clear, understandable activities in their content and form, especially through authentic contact with society and they must reach down to what it feels, to what hurts it. Fourth, and most important—the government's actions must be effective, since this is the only thing that counts in the end. "Today time is not only money but also 'to be or not to be'. Today the sluggishness, hesitation especially of some of the ministries of the former government, which we criticized during the 7th and 8th PUWP CC Plenum, costs us very much.

"Irrespective of all plans and programmes the creation of a specific kind of scenario, a timetable of the activities of the new government seems necessary," Wojciech Jaruzelski said.

"The strategy of action remains the key issue. The idea is the attainment of solutions which on the one hand will enable the achievement of greater economic effectiveness and on the other—the achievement of the humanitarian goals of our system, increase its attractiveness. Up to now we have been incapable of attaining this harmony in full. The new government should do everything in the direction of achieving it. Society, lower levels of authority must feel that they are well guided. Even in difficult and hard times they should feel that a given decision is reasonable, that the requirements are correct, that they bring results.

"It must also be remembered that there exists the danger of attempts being made which would hinder the start of the new government, various types of provocations. A repetition of history would be very dangerous. We are fully and deeply convinced about the necessity of reconciliation.

"Speaking in the Sejm Premier Mieczyslaw Rakowski correctly observed that the government must be strong: On the one hand by public approval which must be fought for and won, but on the other—by realizational consistency, the observance and execution of the law. In these issues the government's attitude and actions must be decided and unequivocal. The government must also consistently eliminate everything which blocks its activities, which undermines faith in the administration.

"In the new government's foreign policy necesary is the confirmation of the pro-reform orientation, confirmation of the systemic determination and confirmation of the line of Poland foreign policy as a good, interesting partner for some and a valuable reliable ally for others," Wojciech Jaruzelski said.

Referring to the coalition character of wielding power the PUWP first secretary stressed that within the party there exists the will of deepening coalitionism, so that it is fully authentic, based on mutual respect and confidence.

Acting Labor, Plan Commission Heads Named

LD1710185688 Warsaw PAP in English
1747 GMT 17 Oct 88

[Text] Warsaw, Oct. 17—Poland's Prime Minister Mieczyslaw F. Rakowski charged Stanislaw Dlugosz, a deputy chairman of the government Planning Commission, with a temporary function of the chairman of the commission and Jerzy Szreter, an undersecretary of state at the Ministry of Labour and Social Policy, with a temporary function of a labour minister.

The chairman of the Council of Ministers recalled Franciszek Kubiczek from the post of the first deputy chairman of the government Planning Commission in connection with plans to offer him another state post.

Importance of New Sejm Groups Analyzed

LD0410131288 Warsaw PAP in English
1204 GMT 4 Oct 88

[Text] Warsaw, Oct. 4—The introduction of new parliamentary floor groups affiliating trade unionists and farmers (farmers' circles activists) will be of great importance for the future shape of the Polish Sejm (parliament).

Some 60 trade unionists and over 50 farmers are holding their seats in the 460-seat Sejm at present. So far, the parliamentary floor groups have been of a political character under the law on duties and rights of deputies to the Sejm which says that deputies can set up parliamentary floor groups according to their party affiliation.

There are three floor groups in the Polish Sejm: PUWP, UPP (United Peasant Party) and DP (democratic Party). There are also three deputies' circles: "PAX" Catholic association, CHSS (Christian Social Association) and PZKS (Polish Catholic-Social Union). The law empowers the Sejm Presidium to agree to setting up deputy circles or teams according to other than political principles. The 9th term of office saw the establishing of the deputy trade unionist team and the team of young deputies. They are acting within the PUWP floor group but affiliate deputies with different party affiliation and independent ones.

Teams however do not have such prerogatives and possibilities as floor groups do. That is why trade unionists and farmers would like their teams to be of greater importance so that they can present their stance in the Sejm in a louder voice.

The postulate to set up new floor groups is expected to be examined in the course of discussion on the future model of the Polish Sejm.

Officials, Citizens on Roundtable Discussions

Ciosek Interviewed

LD0610092888 Warsaw Domestic Service in Polish 1800 GMT 5 Oct 88

[Interview with Stanislaw Ciosek, secretary general of the PRON National Council, by unidentified reporter; place not given—live or recorded]

[Text] [Reporter] The role and tasks of PRON in light of the changes taking place in the country are the subject of plenary proceedings of the PRON Voivodship Council in Katowice. In the discussion, concern was voiced for the future of the movement, when some of its functions are being taken over by the National Accord Council. It also was pointed out that many of the people who were going to seek accord at the roundtable were the same people who have been repairing Poland for 30 years or more. What can you say to that, Stanislaw Ciosek, secretary general of the PRON National Council.

[Ciosek] I think that absolutely everyone, irrespective of when they were born, is a citizen with equal rights and who should speak his mind about the accord and engage in it. Even if he has only a fraction of his life left, he is entitled to speak his mind about the future as much as those who have their whole lives ahead of them. In short, we are not applying restrictions of that kind. Whereas if one were to dig into the past, one could reopen, very painfully and deeply, the wounds of every participant in the Polish conflict.

Sociopolitical life is a process; it does not happen at the push of a button. These are very complex things. In order to do anything, you must feel public support behind you, and that requires time, work. Awareness is a very important issue here, but the need to communicate and to act together was not always fully understood, and not only by our side; the process of needing to communicate also was maturing in all the other sides. Perhaps now we will begin to gather the fruits of the process.

[Reporter] By all accounts, you have probably the best idea—seeing as you are one of the architects of the roundtable—of how many people are going to sit at it.

[Ciosek] Debates are still in progress. Of course, if we were to realize every expectation and suggestion, we would have to turn the whole of Poland into a roundtable, and even then there wouldn't be enough room as some people are expressing the malicious view that there will not be any of our citizens at all there. However, we will have to make choices, of course. The optimal size for discussion is a criterion. I think that it is something like 50-60 people, but I don't know whether we will succeed in fitting within that range, since there is a great variety of pressures and tendencies: that there should be men and women, workers, peasants and intelligentsia, and people from various political formations, and believers and nonbelievers. In short, I am afraid that even the number of indicators by which we have to choose will be greater than that of seats at the largest round table currently available in Poland.

Citizens Air Views

AU1210133088 Warsaw TRYBUNA LUDU in Polish 5 Oct 88 p 4

[Report signed 'f': "Who Thinks What About The 'Roundtable' Talks"]

[Text] Recently we told our readers recently that the Public Opinion Research Center has conducted a poll in order to discover the general expectations attached to the roundtable talks. This is what our compatriots have to say:

Of those who were asked whether these talks had any chance of success, 6.6 percent said "definitely yes," 40.9 percent said "yes, rather," 17.5 percent said "not really," and 3.1 percent said "definitely not." So one can say that cautious optimism prevails in this question. What is striking, however, is that 31.9 percent of respondents avoided expressing an opinion ("it is difficult to say"), which shows that society is very confused about the political changes taking place in the country.

Answers to the question of what changes the talks will bring about also reveal cautious optimism. Some 18.8 percent of respondents expressed hope that "something will change for the better" and 38 percent said that "the talks may change something, but it is not certain." Therefore, a total of about 57 percent of citizens attach to the talks some measure of hope for positive changes. However, 13.3 percent said that the talks "will achieve nothing," 0.8 percent said that "there will be changes for the worse," 6.9 percent said that "there will be no serious talks, they will go no further than the announcement that they were to take place," and over 21 percent again avoided expressing a clear opinion.

What changes do you expect the roundtable talks to bring? Forty percent of respondents expected political and ideological changes, concerning such issues as, for example, a ruling coalition, the party, the permissibility of other parties sharing power, the opposition's participation in the government and authorities, an expansion of the base of government, social calm, an improvement in the political situation, an alleviation of social tension, an end to striking, the legalization of the opposition, the government's taking into account of views of the opposition, democratic elections, democratization, political liberties, a better government composition, and so on. Each of these "groups" of issues won the support of several percent of all respondents.

However, personal expectations attached to the roundtable are different. Some 61 percent of those asked what their personal expectations were said that they expected changes in the social sphere. Of these, 19.9 percent said they wanted "better supplies of goods and more commodities on the market," 11.7 percent wanted "an improvement in the economic situation and changes in economic management," 7.6 percent wanted "a stabilization of prices," and 17 percent wanted "an improvement in people's material conditions, a rise in the standard of living, a satisfaction of primary needs, and an increase in pensions." So most of us want the roundtable to change our economic situation.

More or less 50 percent of respondents believed the authorities and the opposition really want to reach an accord, and 21 percent had no comment to make about the intentions of either side. On the basis of these questions, one can conclude that almost half of all respondents have an optimistic view of the talks. Of these, 35 percent believe each side will want to reach an accord, and 14 percent believe in the good intentions of one side but have no comment to make about the intentions of the other side. Approximately 25 percent of the total number of respondents fear that neither the authorities nor the opposition will reciprocate the confidence vested by the other side or that neither side is interested in the talks.

The Public Opinion Research Center sums up its poll as follows: "The cautious optimism of those asked about the roundtable's chances of success and results is confirmed by their views on the country's present and future situation. Although criticism of the political and economic situation that was prevalent in recent months has not changed, optimism concerning the future of the situation has increased somewhat. There is less talk of a deterioration..."

UPP Offers Contribution

LD1210083888 Warsaw PAP in English 0144 GMT 12 Oct 88

[Text] Warsaw, Oct. 11—The Presidium of the United Peasant Party (UPP) Central Committee today assessed the social, political, and economic situation in Poland and acquainted itself with information on the course of a meeting of UPP CC Chairman Roman Malinowski and the UPP CC Secretariat with Prime Minister Mieczyslaw F. Rakowski. The Presidium also discussed questions related to the coming Sejm meeting.

The ongoing consultations should result in the formation of a government that would represent all the main social and political forces in this country which stand on the grounds of the Polish Constitution, the Presidium stressed.

While discussing the preparations for the "round table" talks the Presidium stated that the UPP would make a constructive and measurable contribution to the discussion on all the problems of the state to be discussed there and will attach particular attention to giving an appropriate rank to the problems of countryside and agriculture.

Czyrek on Expectations, Accord

AU1710131788 Warsaw TRYBUNA LUDU in Polish 11 Oct 88 p 1

[Interview with Jozef Czyrek, PZPR Politburo member and Central Committee secretary, by PAP's Juliusz Solecki: "A Step Toward a Polish Model of Socialist Democracy"—date and place not given]

[Text] [Solecki] The roundtable should begin in the second half of the month, in other words in a few days time. What do you expect of it?

[Czyrek] Very much. A successful roundtable would be a major step along the road to turning into reality the idea of a pro-reformist coalition presented at the sixth, seventh, and eighth party plenums. It would be a major step toward a Polish model of democratic socialism.

It should be realized that our effort to "incorporate" the constructive opposition into the socialist state has no pattern on which it can be based. That does not make our work any easier.

However, when one agrees to such a solution, one must bear in mind that our constitutional principles and the Polish raison d'etat must be observed. There is no room for the anti-system opposition at the roundtable. That is a fundamental matter.

[Solecki] Can this experiment succeed?

[Czyrek] We know it can. National accord and the joint responsibility of all Poles for the affairs of their country are not a tactical slogan, but a strategic goal of the party and a national requirement.

[Solecki] People wonder if the roundtable will not yet become another ever-talking forum of discussion.

[Czyrek] Without going into details, the roundtable can certainly finish after 3 or 4 weeks.

There is an idea of holding talks by problem teams at the same time as the plenary talks. All this is still being decided upon.

Generally, one can assume that the roundtable will reach a consensus about a kind of pro-reformist coalition, namely the Council for National Accord, a body that should remain active for a longer period of time, even until the next Sejm elections.

[Solecki] What would be the chief tasks of the roundtable and Council for National Accord?

[Czyrek] A rapprochement of views and the reaching of consensus on a program of fundamental political and socioeconomic reforms and on how to implement them. This would permit representatives of the most varied social currents to take the widest possible part in public and state life, and would reflect the principle of socialist pluralism. In practice, this would mean an accord concerning a joint platform for Sejm elections, the Sejm's future political structure, and the composition of the supreme state authorities.

Another basic task would be to reach an agreement on how to accelerate the economic reform and work out a Polish economic model, and reach solutions concerning the Polish trade union movement.

All in all, the roundtable and the future Council for National Accord should concentrate on establishing the rules for a broad coalition and associated institutions, including rules of conduct at times of dispute, which will certainly be inevitable in view of the fact that neither we nor our partners will abandon our identity.

However, the problem is to seek possibilities of consistent activity that enjoy the support of broad sectors of society.

I said at the eighth plenum that we do not reserve for ourselves a monopoly over common sense nor a monopoly of power. While recognizing pluralism, we want to use all pluralism's constructive forces and values in political life and socioeconomic activity.

Any other policy than dialogue and accord would make the country regress, complicating and delaying the solution of our national problems. Poland, our supreme value, cannot afford that.

Opposition 'Skepticism' Criticized

LD0710124888 Warsaw PAP in English 1201 GMT 7 Oct 88

[Text] Warsaw, Oct. 7—For representatives of certain circles of the opposition in Poland the idea of holding a round-table meeting was from the very beginning stained with the original sin, because it was proposed by a representative of the "regime," which in advance must have doomed it to failure. For some people in Poland joint talks of representatives of various circles and social groups are not necessary for they torpedo their intention to permanently aggravate the political situation.

Thus, we are not surprised at opinions radiating from certain opposition groups which are skeptical at the prospects of the talks. Jacek Maziarski is one of the skeptics for whom, as he told Radio Free Europe on October 2, "the round-table talks present no answer, no remedy for the problems which Poland has to cope with." At the same time, also on October 2, in his article in the LAD Catholic weekly Maziarski emphasized that "we live in the times when we simply need common civil activity." Apparently, Maziarski does not treat the round-table talks as a civil activity, assuming that some truths sell better in Radio Free Europe than in a Catholic weekly.

Jacek Kuron attaches much more attention to the round-table for in an interview for RFE, broadcast on October 3, he expressed definite support for the idea of the talks. It seems, however, that Kuron did not understand the sense of the round-table proposal correctly enough, for interviewed by a BBC reporter a day earlier he disclosed with sadness that "we still have to enter into agreements with communists," cherishing, at the same time, ever more "probable" dreams, as he emphasized, that "the Soviet Union will fall apart." In his opinion that should immediately urge the Polish Government to give the power to the opposition.

Solidarity Seeking of Political Pluralism Decried

AU0710174788 Warsaw RZECZYWISTOSC in Polish 2 Oct 88 p 3

[Piotr Olejnik article: "To Go Beyond Solidarity"]

[Excerpts] Stanislaw Stomma: "I have no doubt that dealing mainly with pluralism of the trade union movement and with searching for roads to this pluralism should be the basis of the roundtable talks, for which General Kiszczak has issued invitations."

Andrzej Stelmachowski: "The pressure of time makes trade union pluralism and efforts to find a place for Solidarity in the present system the most urgent problems."

Jerzy Turowicz: "The issue of trade union pluralism must be the main and nearly the only subject of roundtable deliberations."

Antoni Maciarewicz: "The primary subject of roundtable deliberations should be pluralism of trade unions and associations and, especially, the registration of Solidarity."

Tadeusz Mazowiecki: "Precisely because it is necessary to talk about Poland and about ways and means for defeating our feelings of frustration, it is necessary not only to talk about the legalization of Solidarity, but also to solve this basic issue."

I have cited some characteristic views which representatives of what are called "independent" communities expressed in a poll organized by POLITYKA under the title "What subjects should be discussed during roundtable deliberations?" All of the representatives that I have cited agree on the subject which they regard as fundamental, namely, that the need legalization of Solidarity is the basic element of renewing the Polish political system, of creating a proreform coalition, and of establishing an anticrisis pact, and it is a factor that will determine the success of roundtable deliberations. The same view was expressed by the bodies and factions connected with Solidarity at their meeting in the St Brygida Parish in Gdansk some 2 weeks ago.

We can see quite clearly that one of the sides that is going to the roundtable talks takes the view that the basic issue of these talks should be Solidarity and that the failure to solve the issue of Solidarity in line with the aforementioned views may result in a breakdown of the roundtable meeting and all the related consequences.

It is usually risky to proclaim unpopular views, but journalism is hardly possible without taking certain risks. That is why I will risk asserting that I do not think that the legalization of Solidarity can in any way cure our Polish ills and can be considered as a decisive factor in unsnarling the complicated Polish knot. [passage omitted]

The obvious thing is that what the Solidarity people want to discuss as the main subject of the roundtable meeting is political pluralism and not trade union pluralism, which they regard as secondary to political pluralism. The crux of the exercise is to tackle various issues at the point at which they were more or less left in abeyance several years ago and to construe a nonconfrontational platform with many political aspects, but not to reproduce the very crux of Solidarity.

Let me cite an important passage from Deputy Ryszard Bender's speech during the Sejm's historic session last week: "As before the war, various trade unions,—class, Christian democratic, and Solidarity—should be able to follow their policies exclusively within the parties with which they are connected and not within production plants." In order to do this, it is necessary first to set up those political organizations, in relation to which trade unions will appear as a secondary issue.

Talking about Solidarity amounts to persisting in old schemes, which, frankly, are incapable of achieving the elementary and constructive effectiveness of performance. Perhaps it also amounts to the attachment to a certain symbol or to sentimental memories of the "good, old times." However, life continues to forge ahead and requires something more than that.

It is astonishing that people who enjoy authority and respect in many communities—many of these people cited at the beginning of this article participated in the "congress" in the St Brygida Parish in Gdansk—seem not to be aware of that fact. It is even more astonishing and downright paradoxical that although many of these people are engaged in activities that are mainly political in nature, they do not seem to be primarily interested in settling political issues. Instead, they put forward the issue of the legalization of Solidarity and not, in the first place, the issue of some institutional, organizational, or systemic regulation of political pluralism, which is the number one subject for roundtable talks.

Could it be that the issue of the legalization of Solidarity might be the main means of pressure exerted on those who today issue invitations to the roundtable meeting and who tomorrow may become coalition partners in decisionmaking, which will not always be painless and devoid of conflicts, with regard to the policies realized in our country? It may be that those main means of pressure will assume the following form: If this question is not solved in line with our suggestions, we will apply to Solidarity and will organize a strike as part of the bargain.

This kind of joint decisionmaking could never be accepted in the same way that efforts to transfer political contradictions and discussions to the sphere of the economy cannot be accepted. That is why we talk about political pluralism and not about trade union pluralism. That is why we must be allowed to place political pluralism in the center of Polish deliberations and to trade union pluralism as a secondary issue. That is why we must be able to go beyond mythological Solidarity.

Opposition 'Prince' Kuron Criticized

LD0710224688 Warsaw PAP in English 1705 GMT 7 Oct 88

["Firm Prince of Confrontation-minded Opposition"—PAP headline]

[Text] Warsaw, Oct. 7—TRYBUNA LUDU quotes opinions, publicized by Polish speaking radio stations in the West, of a leading figure in the confrontation-minded

opposition in Poland Jacek Kuron, a veteran of the anti-state and anti-socialist combat in Poland which he aired after the round table proposal had been published.

To make things clear, a new, "updated" interview resounds on RFE [Radio Free Europe] waves on October 3, in which Kuron once again states that "society" (which in his language means himself and his friends) "must... take over also the executive power."

What else is needed to show that conditions have changed, the "government forces" display a very far-going inclination to compromise but Mr. Kuron has not changed at all. He claimed and continues to claim the intention to topple the existing political system, the desire of destruction, the desire of confrontation, not agreement.

Even when he happens to show—in fact hardly noticeable—tactical and verbal modifications, the core essence of his appeals, the said confrontation-minded oppositionism remains unchanged. He moved and continues to move in the same direction.

Official Views Prices, Incomes Policy

PM0710093188 Wroclaw GAZETA ROBOTNICZA in Polish 21 Sep 88 p 3

[Interview with Dr Andrzej Sopocko, deputy director of the Institute of Finance and chairman of PRON National Council Group for Economic Reform, by Elzbieta Dabek; date, place not given]

[Text] [Dabek] You are one of the organizers of the joint Public-State Commission for Prices and Incomes Policy, the idea which was born during the PZPR Seventh Plenum. It is devised as a forum of national accord, this particular one being concerned with the methods of stemming inflation. How, in your opinion, can the commission fulfill its function? Is it to be yet another opinion-giving body, or a decisionmaking one?

[Sopocko] The commission, which for the sake of simplicity ought really to be called the parity commission, is to constitute a forum where representatives of a number of different sectors and social groups can present the interests of those groups and sectors. Given the foundation of a sound knowledge of economic realities they can discuss things and argue them out, but also finally decide the way in which the distribution of incomes is to be settled. In practice this will come down to answering the question of who is to be given more in the first place, and who must wait a bit longer. The commission's goal will be to achieve a situation of popular social agreement to such internal distribution patterns and determine a general index of wage and price increases that will constitute an effective factor in our economic planning. But even if an agreement is not reached, we can still record a "protocol of divergences" between the interests of particular social groups. This will also be important because it will demonstrate to the public and the authorities the size of the room for maneuver within which they could move.

[Dabek] So the composition of the commission is also important if it is to claim that it represents the interests of all groups and milieus in society. Will it be possible to assemble such a fully representative group?

[Sopocko] The commission is not to be created by administrative decree but is to come into being as a compact between the acceding sides—such as, say, trade unions, farmers' organizations, bodies representing pensioners, cooperatives, and so on. It should also include representatives of the Banks Council. I cannot envisage the commission without a representation of the Polish Teachers Union. Perhaps the method of negotiation adopted by the commission could help this professional group emerge from its present low pay "trough." As a central representation of workers' self-management bodies and the managerial cadre begins to take shape, the presence of its representatives would be essential in the commission. I believe that we ought to invite persons of high standing and authority within those milieus to take part in the work of our commission. I am thinking here of people who can and want to voice their opinion on the prices and incomes policy from the various positions they take, even the most critical ones.

[Dabek] But what role would the government have to play? After all, it is within the government's competence to determine and, most importantly, implement that policy.

[Sopocko] The government would be one of the sides within the commission—and one with a special role, too, precisely because it would be entrusted with the task of implementing the findings of the commission.

[Dabek] What if it failed to put these findings into practice despite the injunction and mandate to do so which it had received from the public?

[Sopocko] Many different situations may arise within the economic system and the government must react to them promptly and effectively. We might, for example, reach a public consensus to abolish meat rationing and adjust the price and income system accordingly. In practice, however, an increase in the market supply of meat might turn out to be slower than expected. In such a situation the government would not be able to implement the commission's findings. In any such case the Council of Ministers is empowered to adopt other, different solutions, but it must disclose the precise reasons for the temporary departure from the solutions agreed on by the commission and present the potential effects of such a step.

[Dabek] What if the government failed to do this or, in the comission's opinion, gave insufficient justification for taking such a step?

[Sopocko] It would then lose its credibility in the eyes of the other participants in the compact, who should represent all the strata of our society. Thus it would lose credibility in the eyes of the entire society—which, through its representatives in the commission, would have the opportunity not only to reach an agreement on the course of the prices and incomes policy but also to monitor its implementation.

[Dabek] But if the commission is to determine the course of that policy and, later, to assess its implementation, it must—as you yourself have said—command a sound knowledge of our economic realities. And, in addition, also be able to influence the way in which they take shape...

[Sopocko] We envisage the creation of a study group composed of experts who would work for the commission. The team should include people subscribing to a variety of views on how to reform the economy. They will have to prepare opinions on shaping prices and on the methods of preventing excessive increases over both short and longer periods of time. Prevention of price increases over short periods of time is a matter of choosing the right mechanisms to control their excessive growth, while for longer periods of time the deciding factor will be the amount of goods supplied, that is, the structure of both production and investment. But we know, of course, that many divergent interests of particular groups or sectors affect all these areas. Consequently, we would need to create a platform for solving these differences together. And that would be the commission's brief.

[Dabek] But is your concept not too idealistic?

[Sopocko] Similar solutions are already at work elsewhere in the world: in France since the first postwar years and in Austria for more than 20 years already. I am slightly more familiar with the Austrian solutions and I can tell you that the process whereby the maximum scale of price and wage increases is determined via a public decision continues to be applied today. It was first applied when Austria was faced with the threat of steep inflation... In the socialist countries it would constitute a first attempt at such a solution.

[Dabek] It requires a lot of time to form the commission and to finalize the attendant negotiations. But we need prompt action and quick changes, also in the sphere of the prices and incomes policy. And the changes must be approved by the public. How can we achieve this?

[Sopocko] If over the next few months we fail to prepare the price and wage negotiations within the framework of the commission, the relevant policy decisions can still be made according to the existing procedure. The commission, on the other hand, would then set to work to prepare the principles of the prices and incomes policy to come into force from the year 1990.

Leaders' Public Appearances for 4-11 Oct

AU1410170588 [Editorial Report] Warsaw TRYBUNA LUDU in Polish monitored from 5 through 12 October reports the following appearances of Polish leaders (date and page number given in parentheses):

Mieczyslaw F. Rakowski, PZPR Politburo member, Central Committee secretary and chairman of the PPR Council of Ministers; Jozef Czyrek, PZPR Politburo member and Central Committee secretary; Marian Orzechowski, PZPR Politburo member and Central Committee secretary; Janusz Kubasiewicz, PZPR Politburo candidate member and first secretary of the Warsaw Voivodship PZPR Committee; and Boguslaw Kolodziejczak, PZPR Central Committee secretary, were at Warsaw airport on 7 October to welcome Mongolia's Jambyn Batmonh. (8-9 Oct, p 1)

Mieczyslaw F. Rakowski, PZPR Politburo member, Central Committee secretary and chairman of the PPR Council of Ministers; Wladyslaw Baka, PZPR Politburo member and Central Committee secretary; Janusz Kubasiewicz, PZPR Politburo candidate member and first secretary of the Warsaw Voivodship PZPR Committee; and Boguslaw Kolodziejczak, PZPR Central Committee secretary, were at Warsaw airport on 8 October to see off Mongolia's Jambyn Batmonh. (10 Oct, p 2)

Wladyslaw Baka, PZPR Politburo member and Central Committee, received the Juergen van Zwoll, GDR ambassador to Poland, on 11 October. (place not given) (12 Oct, p 2)

Kazimierz Barcikowski, PZPR Politburo member and deputy chairman of the PPR State Council, received Stefan Szymczykiewicz, the new Polish ambassador to Iran on 5 October. (place not given) (6 Oct, p 2)

Kazimierz Barcikowski, PZPR Politburo member and deputy chairman of the PPR State Council, awarded the title of professor to a number of scholars at the Belvedere Palace in Warsaw on 5 October. (6 Oct, p 6)

Stanislaw Ciosek, PZPR Politburo candidate member, attended a seminar for voivodship ZSL activists on 7 October. (place not given) (8-9 Oct, p 5)

Stanislaw Ciosek, PZPR Politburo candidate held talks with Jozef Techma, chairman of the board for associations for friendship with other peoples, to discuss the movement's work and PPR foreign policy. (date and place not given) (8-9 Oct, p 5)

Jozef Czyrek, PZPR Politburo member and Central Committee secretary, attended a meeting for PZPR Central Committee lecturers, on 11 October. (place not given) (12 Oct, p 2)

General of Arms Czeslaw Kiszczak, PZPR Politburo and PPR minister of internal affairs, attended a gala concert in Warsaw on 7 October to mark the 44th anniversary of the founding of the militia and the state security service. (8-9 Oct, p 2)

Janusz Kubasiewicz, PZPR Politburo candidate member and first secretary of the Warsaw Voivodship PZPR Committee, received a group of young North Koreans in Warsaw on 5 October. (6 Oct, p 9)

Janusz Kubasiewicz, PZPR Politburo member and first secretary of the Warsaw Voivodship PZPR Committee, attended a joint PZPR-ZSL voivodship level meeting in Warsaw on 6 October. (7 Oct, p 7)

Zbigniew Michalek, PZPR Politburo candidate member and Central Committee secretary, met young farmers in Tarnow Voivodship on 5 October. (6 Oct, p 2)

Alfred Miodowicz, PZPR Politburo member and chairman of the OPZZ, chaired a meeting of the OPZZ Executive Committee in Warsaw on 6 October. (7 Oct, p 1)

Zygmunt Muranski, PZPR Politburo member, attended a party discussion at the "Polamd-Kontakt" plant in Czechowice-Dziedzice, Silesia, on 11 October. (12 Oct, p 2)

Marian Orzechowski, PZPR Politburo member and Central Committee secretary, was at Wroclaw airport on 10 October to see off Mongolia's Jambyn Batmonh at the end of the private part of his visit to Poland. (11 Oct, p 1)

Army General Florian Siwicki, PZPR Politburo member and PPR minister of national defense, met World War II veterans in Warsaw on 7 October. (8-9 Oct, p 5)

Army General Florian Siwicki, PZPR Politburo member and PPR minister of national defense, awarded higher ranks to civil servants active in civil defense work at a ceremony held on 10 October. (place not given) (11 Oct, p 2)

Ceausescu, Delegation Continue Visit to PRC

Cultural Establishment Toured

AU1610175988 Bucharest AGERPRES in English 1639 GMT 16 Oct 88

[Text] Beijing, AGERPRES, 16/10/1988—In the morning of Sunday, 16 October, RCP General Secretary and President of Romania Nicolae Ceausescu and Mrs Elena Ceausescu visited the Da Guan Yuan cultural and historic complex in Beijing.

The distinguished Romanian guests were accompanied by Chen Xitong, State Councillor, mayor of Beijing Municipality, Qian Zhengying, vice-chairman of the Chinese People's Political Consultative Conference, by other officials.

Taking part in this visit were also the officials accompanying the RCP and Romanian state leader in the PR of China.

On its way to the cultural and historic complex the official motorcade drove along the main thoroughfares of the Chinese capital that developed powerfully over the past years. Significant in this respect is the fact that half a million of flats were built in Beijing in the last five years.

Upon their arrival, President Nicolae Ceausescu and Mrs Elena Ceausescu were welcomed by Wang Qingfeng, director of the complex, who expressed his joy at the visit of the distinguished Romanian guests.

The hosts supplied data about the cultural and historic complex, conceived as a model residence, a synthesis of traditional architecture with specific elements of the Ming (1368-1644) and Qing (1644-1911) dynasties, as well as of the art of Chinese gardens.

The distinguished Romanian guests watched a picturesque show of ancient attire.

During their visit, President Nicolae Ceausescu and Mrs Elena Ceausescu were appreciative of the talent, ingeniosity and constructive spirit of the Chinese people, the creator of one of the oldest and most brilliant civilizations. They also warmly congratulated the collectivity of the complex that work devotedly so that that cultural and historic establishment preserve assets of the Chinese culture and civilization.

At the end of their visit the distinguished Romanian guests signed the visitors' book.

Everywhere, along the thoroughfares and at the complex, President Nicolae Ceausescu and Mrs Elena Ceausescu were greeted by inhabitants of the Chinese capital who expressed their joy and satisfaction at having them as guests.

Visit to Beijing Enterprise

AU1710172788 Bucharest AGERPRES in English 1618 GMT 17 Oct 88

["President Nicolae Ceausescu Visits Beijing's Television Receiver Manufacturing Enterprise"—AGERPRES headline]

[Text] Beijing, AGERPRES, 17/10/1988—Monday morning, Nicolae Ceausescu, general secretary of the Romanian Communist Party and president of the Socialist Republic of Romania, saw round the television receiver manufacturing enterprise in Beijing, a modern and representative unit of the Chinese industry.

President Nicolae Ceausescu was accompanied by Hu Qili, member of the Standing Committee of the Political Bureau of the Chinese Communist Party, and other officials.

Taking part were the Romanian officials who accompany the Romanian party and state leader on his visit to the People's Republic of China.

Upon arrival at the enterprise, President Nicolae Ceausescu was most cordially greeted by numerous people working in that unit, who applauded vigorously and warmly expressed their friendliness and joy to receive the visit of the Romanian party and state leader, old friend of the Chinese people, praised and esteemed in the People's Republic of China for his important contribution to the development of the links between the two parties, countries and peoples, for his tireless activity in the international life with a view to establishing a climate of detente, security, peace, confidence and board international cooperation.

Expressing these feelings, Tang Zhongwen, deputy minister of the machine-building and electronics industry, and Cheng Jie, director of the enterprise, warmly and respectfully welcomed President Nicolae Ceausescu.

Visiting the major production sections, President Nicolae Ceausescu was informed about the activity of the enterprise, the organization of the manufacture lines, and the Chinese experts' concerns for the permanent renewal and modernization of products. Nicolae Ceausescu wished the workers, technicians and engineers of the enterprise new successes in their entire activity.

After the visit to the major sections of the enterprise, President Nicolae Ceausescu was invited by the hosts to sign the visitors' book.

Conference With Deng Xiaoping

AU1710120988 Bucharest Domestic Service in Romanian 1100 GMT 17 Oct 88

[Text] Comrade Nicolae Ceausescu, RCP secretary general and president of the Socialist Republic of Romania, and Comrade Elena Ceausescu, today met and held talks with Comrade Deng Xiaoping, chairman of the PRC Central Military Commission.

The meeting was attended by Comrades Ion Dinca, member of the Political Executive Committee of the RCP Central Committee and first deputy prime minister of the government; Ioan Totu, candidate member of the PEC of the RCP Central Committee and minister of foreign affairs; and other officials. Comrades Hu Qili, member of the Standing Committee of the Political Bureau of the CPC Central Committee; Zou Jiahua, state counselor and minister of machine-building and electronics; Qian Qichen, minister of foreign affairs; Qian Zhenying, vice chairman of the PRC Political Consultative Conference; and other officials were also in attendance.

Upon arrival, Comrade Nicolae Ceausescu and Comrade Elena Ceausescu were welcomed with pleasure and great warmth as old and stable friends of the Chinese people by Comrade Deng Xiaoping. Comrade Nicolae Ceausescu, Comrade Elena Ceausescu, and Comrade Deng Xiaoping shook hands for a long time and embraced.

Comrade Deng Xiaoping greeted Comrade Nicolae Ceausescu and Comrade Elena Ceausescu with particular warmth and emphasized the significance of the meetings and talks at the summit level for the constant development of relations between Romania and the PRC.

Comrade Nicolae Ceausescu expressed satisfaction at meeting again with Comrade Deng Xiaoping and, on his and Comrade Elena Ceausescu's behalf, conveyed warm greetings and best wishes. At the same time, he emphasized the conviction that the visit, the talks, and the understandings concluded will mark a new and higher stage in expanding and strengthening cooperation at various levels between our parties, countries, and peoples.

During the meeting, the two sides briefed each other about the current and future concerns of their parties, countries, and peoples regarding socialist construction in the two countries. They emphasized the positive relations of friendship and cooperation that have been established and are developing between Romania and China, and pointed out that the further expansion of these relations in the political, economic, scientific-technical, cultural, and other areas is to the benefit and for the well-being of both countries and peoples, and serves the cause of socialism and peace.

The sides also discussed aspects of current international political issues and of the international communist and workers movement. They emphasized the need for intensifying efforts to achieve disarmament, to eliminate the use or threat of force in international affairs, to solve all conflicts and disputes between states by political means and negotiations, to eliminate underdevelopment and establish a new international economic order, and to respect each people's right to free and independent development, without any outside interference. They emphasized the role and responsibility resting on communist and workers parties in both achieving democratic socialist changes in their countries and in the general struggle for social progress and peace in the world.

During the talk, the sides expressed the conviction that, through united action, peoples are able to bring about a change in the dangerous trend of events, the affirmation of a new and democratic policy of broad cooperation among nations, and achieve a better and more just world on our planet.

Comrade Nicolae Ceausescu, Comrade Elena Ceausescu, and Comrade Deng Xiaoping continued their exchange of views on issues of common interest during a luncheon given by the chairman of the PRC Central Military Commission in honor of the high-ranking representatives of the Romanian people. During the luncheon the sides toasted the constant strengthening of relations of friendship and many-sided cooperation between the RCP and CPC, between Romania and China, and between the peoples of the two countries.

The meeting, talks, and luncheon took place in an atmosphere of warm friendship and of mutual esteem and appreciation.

Gorbachev Message Conveyed

AU1710182888 Bucharest AGERPRES in English 1733 GMT 17 Oct 88

["On the Meeting Between Nicolae Ceausescu and Deng Xiaoping" - AGERPRES headline]

[Text] Beijing, AGERPRES, 17/10/1988—During the meeting and talks conducted on October 17 with the chairman of the Central Military Commission of the People's Republic of China, Nicolae Ceausescu, general secretary of the RCP, president of Romania, conveyed to Deng Xiaoping a salute from Mikhail Gorbachev, giving course to the wish expressed by the general secretary of the CC of the CPSU during the recent visit paid by the Romanian visit to the Soviet Union. Deng Xiapoing thanked and asked in turn President Nicolae Ceausescu to convey his salute to the Soviet leader.

Wife Receives Scholars

AU1710172588 Bucharest AGERPRES in English 1614 GMT 17 Oct 88

[Text] Beijing (AGERPRES) 17/10/1988—Academician Elena Ceausescu, D.Sc., member of the CC of the RCP Executive Political Committee, first deputy prime minister of Romania and chairwoman of the National Council of Science and Education, received Monday 17 October a group of scientists, researchers and specialists of the People's Republic of China led by Zhou Guangzhao, president of the Academy of Sciences, and Zhou Ping, vice-chairman of the State Scientific and Technological Commission.

During the meeting, the president of the Chinese Academy of Sciences highlighted the importance of the official friendly visit of President Nicolae Ceausescu and Comrade Elena Ceausescu to the People's Republic of China that will open up new horizons of cooperation between the two countries, including in science. At the same time, Academician Elena Ceausescu was conveyed a warm message from Chinese scientists who value highly her work in the field of science, of fundamental and applied research, her great contribution to science.

Academician Elena Ceausescu thanked for the message and the appreciation, and conveyed the Chinese scientists, researchers and specialists her and the Romanian scientists' message of greetings along with wishes of further success in work.

The talk covered the cooperation between Romanian and Chinese scientists which is part of the good friendly and cooperative relations between the two parties, countries and peoples, and underscored the existing possibilities for the continuing expansion of that cooperation in various fields of common interest. The determination was expressed for sustained action in order to attain the goals of the plans and agreements of cooperation between the Academy of the Socialist Republic of Romania and the Chinese Academy of Sciences, between the state scientific and technological commission of the People's Republic of China. The further strengthening of the cooperation between Romania and the People's Republic of China in science was shown to be in the interest of socialist construction in the two countries, of their manifold development.

Meeting With Li Xiannin

AU1710172688 Bucharest AGERPRES in English 1643 GMT 17 Oct 88

["Nicolae Ceausescu and Elena Ceausescu Meet With Lin Xiannian Lin Jiamei"—AGERPRES headline]

[Text] Beijing, AGERPRES, 17/10/1988—Nicolae Ceausescu, general secretary of the RCP, president of Romania, and Mrs Elena Ceausescu met on Monday, October 17 with Li Xiannian, chairman of the National Committee of the Chinese People's Political Consultative Conference, and Mrs Lin Jiamei.

Li Xiannian most warmly welcomed the official visit of friendship to the People's Republic of China by the Romanian people's distinguished messengers, expressing his confidence that it would go down as yet another important moment in the history of the Romanian-Chinese relations.

Nicolae Ceausescu thanked and warmly saluted the hosts extending the best wishes to them.

During the talk, that proceeded in an atmosphere of warm friendship, Nicolae Ceausescu and Li Xiannian evoked with pleasure their meetings in Bucharest and Beijing and expressed their satisfaction at meeting again and exchanging views on matters of mutual interest. Emphasis was placed in that context on the decisive contribution of the summit meetings and talks for the further expansion and strengthening of the relations of friendship and collaboration between Romania and China, between the two countries' peoples.

Departure for DPRK

AU1810102488 Bucharest AGERPRES in English 0955 GMT 18 Oct 88

[Text] Beijing (AGERPRES) 18/10/1988—On 18 October, the general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania and Mrs Elena Ceausescu concluded the official friendly visit they paid to the People's Republic of China at the invitation of the general secretary of the Central Committee of the Chinese Communist Party, Zhao Ziyang, and the president of the People's Republic of China, Yang Shangkun.

On the last day of the visit, President Nicolae Ceausescu and Mrs Elena Ceausescu met again with President Yang Shangkun at the residence reserved for the distinguished Romanian guests during their visit to the People's Republic of Chiosrkv

In that framework, President Yang Shangkun underscored the importance of the visit President Nicolae Ceausescu and Mrs Elena Ceausescu paid to China considering it to mark a new stage in the strengthening and development of bilateral ties.

The RCP and Romanian state leaders thanked once again for the hospitality, cordiality and friendship extended to them throughout their visit and expressed his confidence that the understandings reached during the talks would give further impetus to the many-sided cooperation between Romania and China.

The meeting, which passed in the same warm, friendly atmosphere of mutual esteem and understanding, was followed by the departure ceremony.

President Nicolae Ceausescu and Mrs Elena Ceausescu bid a warm farewell to President Yang Shangkun. The two presidents shook hands friendly and embraced each other.

At 9:15 hrs (local time) the presidential aircraft took ofi from the international airport of Beijing heading for Pyongyang.

A joint communique was adopted on the results of the visit.

Romanian-Chinese Commission Session Ends
AU1710172988 Bucharest AGERPRES in English 1649 GMT 17 Oct 88

[Text] Beijing (AGERPRES) 17/10/1988—The 9th session of the joint Romanian-Chinese Government Commission on Economic and Technological Collaboration came to an end in Beijing on Monday, October 17.

In the light of the summit understandings the commission analyzed the ways and means of action for further intensifying the bilateral economic collaboration. Concrete measures were established for the development, upon mutually advantageous bases, of the cooperation in production in domains of mutual interest, as well as for the increase and diversification of the goods exchanges between Romania and China.

At the close of the proceedings, the chairmen for the two countries of the commission, Ion Dinca, first deputy prime minister of Romania, and Zou Jiahua, state councillor, minister of machine-building and electronics of the People's Republic of China, signed the session's protocol.

LCY CC Plenum Opens With Speech by Suvar

Suvar Speech at LCY Plenum

LD1710132588 Belgrade TANJUG Domestic Service in Serbo-Croatian 0504 GMT 17 Oct 88

[Speech by LCY President Stipe Suvar at the 17 October opening session of the LCY Central Committee Plenum in Belgrade]

[Text] Belgrade, 17 Oct (TANJUG)—The situation in Yugoslavia and in the LCY itself today is not good. What is more, it is bad, and all of us in the country are worried. Despite this, the vital feeling of mutual responsibility for organizing our common life is at a very low level. The LCY, and above all its leadership at all levels, our Central Committee and its Presidium, are failing the test with respect to the consistent implementation of the decisions of the 13th LCY Congress and of the recent LCY conference which adopted very good stances on immediate reforms, but in the meantime we have been more preoccupied with various essentially useless politicizations than with the implementation of those stances. The social, economic, and political situation is very serious and full of dangers for the country's stability. This, in fact, is the reason why we have convened this session of the highest LCY organ.

We must self-critically, and in a communist way, check, ourselves, assess our work and behavior, and above all face up to the real and objectively various class, social, national, and other interests, respond to the demands of the creative, productive sections, and point to the prospects for the future, uncover and reject tendencies and pressures which are contrary to the basic revolutionary course of the LCY.

We must ensure new social reality wins.

The people in our country, and in the world, increasingly ask: Is there any future for socialism in Yugoslavia as a federal community. Our Central Committee did not meet today to provide the reason for such a question. On the contrary! We met in order to stress that not only socialism and self-management have a future, but that the LCY is ready and capable of leading all the progressive forces of Yugoslav society and such social relations, in which every individual, every member of any nation or nationality, can live freely, create freely, and freely choose the road along which his life will become more humane, richer, and better. Moreover, our people are more than preoccupied with this problem, are demanding this even when they are expressing dissatisfaction in factory yards and in the streets, and when they are very concerned about the current difficult economic and political reality in the country.

It is therefore an urgent duty of this highest body of the 2 million LCY members between the congresses freely and responsibility, in a principled and well-argued way, in a self-critical and critical discussion, and without pressure and fear to provide clear and unambiguous answers to the challenges and trials facing our country, to provide encouragement for all patriotic and progressive people, to help in such a way that the hope which is flickering in people's masses, from Mount Triglav to the Vardar River, should be translated into conviction and, on the level of awareness and mobilizing creative energy, to contribute to the three reforms recently proclaimed by the LCY conference being tackled resolutely and without hesitation.

It is our commitment in this way, and only in this way, to devise and blaze the trail for the way out of the present state of social regression and the threat of economic collapse for the sake of all progressive generations and individuals who, in the recent and also in the remote past, valiantly defended and paid a high price for freedom and for the idea of life together in this area. This is our debt also in respect of all the people who perished in the heroic liberation struggle of our people and in our unique socialist revolution, and to all the victims of the last war from which, owing to the merit of the Yugoslav Communist Party and by dint of the struggle and tribulation of all our nations and nationalities, in blood and in conflagration, Federal Socialist Yugoslavia was born upon the AVNOJ [Anti- Fascist Council of the National Liberation of Yugoslavia] decisions and under Tito's leadership.

The truth is that the consciousness of the dead generations is weighing on the present generations like a nightmare. Unfortunately our people, our nations and nationalities are now more preoccupied with the past and dissatisfied with the present, rather than looking to the future and buckling down to tasks to prepare and secure this future for themselves. The past began having an effect on us centuries ago, but the historic memories of our people, nations and nationalities contain the experience of the revolution, primarily, and this is the material force for marching into the future.

We have the historical responsibility to preserve the achievements of the revolution and to give life to the idea of socialist self-management. We must not discredit it any further because it is an invaluable instrument of the struggle of our working class and intelligentsia, because the logic of self-management, as Veljko Vlahovic used to stress, "is not defense, but an attack."

While wondering what will happen to Yugoslavia, the world's peoples are also thinking of the ideas of socialist self-management. They are wondering whether these ideas have failed, have become discredited, and whether the country in which socialism with a democratic and human face first emerged, is under threat. We must show to the world that we will continue to remain loyal to our basic visions of the development of socialism, going back to the starry moments of our socialist revolution, and that at long last, without any chance of going back, we are abandoning the methods and solutions particular to the earlier state and etatist phase of socialism.

In overcoming the present difficult situation in which our country has found itself, precisely because of the halt in implementing socialist self-management, we must proceed from differentiating between the self-management's real values and mobilizing force, its shortcomings and meaninglessness, as well as between its real opponents who, because of their own interests, could not accept progress.

The objective of this Central Committee session is therefore to find out what, at this moment, symbolizes to our people hardship, repression, separatness from the people, lack of freedom, incompetence and self-will. All this must be exposed, from the Central Committee to individual basic organization within the entire LCY.

We must win the battle for a new social reality, different from the present one, and transfer the responsibility for the development and the running of the economy and society on creative, capable, courageous, and inventive creators who will not hide behind forum- or cabinet-limited policy and behave like drab bureaucrats and servile apparatchiks. Our ideas and messages must, rather, be so clear and attractive as to encourage interest and creativity among the broad masses of the people. Only in this way will it be possible for us to move toward a better future, and if we rely on our people's social energy, which has so far been suppressed. We have the 1941 and 1948 events as an inspiration, and Tito's work method to resolve issues.

At this moment we must provide as precise and as merciless a diagnosis as possible of the situation and relations in our society, and find the causes of the almost general social recession. And let me say right away: Our scope must not and will not be partial in the sense that it would encompass just one national environment at the expense of the entire society and all Yugoslavia. Our scope must be a Yugoslav one, and not a Serbian, Croat, Slovene, or one concentrated on Kosovo. In any case, if our scope of vision is a Yugoslav one, it is, by implication, a Macedonian, Montenegrin, Bosnian-Hercegovinian one, and a Vojvodina one. At the same time we must not look at the issues through the eyes of bureaucracy, technocracy, the cultural elite, or of any privilaged section of society. Our approach must be dialectic and united, it must proceed from concrete Marxist analysis of this historic juncture and of the links between the Yugoslav and world situation. This is a prerequisite for finding out the way and methods for directing the social energy possessed by the popular masses, especially by the working class, toward deeper and far- reaching changes in the situation and in relations. At the same time there must be no doubt that the democratic alternative is the sole guarantee that the solutions, which we have to implement urgently, yield results and have any future. It is that immediately which has its tomorrow. [as received] As history taught us, the search for the ruthless sword of justice always ends with only one person holding the sword, which perhaps could cut all our Gordian knots. This cannot last forever.

At the end of this century, the socialist society in Yugoslavia, born out of the revolutionary struggle of workers and peasants, must not only be revitalized, it must be radically changed in many aspects; it must become democratic and pluralistic, with individuals having the right to fight for humane solutions. The nations and nationalities living in our Yugoslav community who will, quite certainly, live in it tomorrow, must safeguard their integrity and identity, not by insulating themselves, but by further developing brotherhood and unity with as little as possible of the ritual, and with much more communication and common openness toward the world.

We must carry out detailed work to uncover all that in the structure of our production forces, and in production and class relations is an obstacle on the road toward reforms, and draw attention to material and political interests and forces who constitute and regenerate resistance to the course of the reform, to any changes in the existing situation in society and the existing thought patterns. Without this there will be no clear orientation, and it will be impossible to pave the way for resolving stagnation and the crisis. Lenin used to say that "the great importance of all crisis lies in the fact that they uncover what has been hidden and reject what is conditional, superficial, trivial, real political rubbish; they disclose those who are the real initiators of the true course of the class struggle."

If we provide a clear path toward the future we will achieve a state of understanding with both the working class and the intelligentsia, with new generations for which we are responsible, but are not providing with sound opportunities, even with all those who at an earlier stage became part of the struggle for revolution and the hitherto development of socialism. All this is a guarantee that we will implement that which we decide on today without hesitation or wavering, since we will know who is on our side.

In order to make our messages clear and unambiguous to LC members, the working class, and all citizens, the Central Committee must provide answers to three key questions: Why have we found ourselves in the present situation; what is the platform for the renewal and further development of socialism in our country; and what do we intend to do, immediately and without delay, in implementing the three reforms?

The near 30 years since the adoption of the LCY program have been marked by our efforts to rid ourselves of etatist socialism. All our significant attempts, including the program itself, the 1965 economic reform, the 1971-74 constitutional reform, the concept of the political system as outlined at the 11th congress in Kardelj's "The Guidelines for Development..." [TANJUG ellipses], the long-term program of economic stabilization, the resolutions of the 13th LCY Congress, and finally, the standpoints adopted at the LCY Conference in May this year, have been marked by attempts to

further improve and develop the original project of our revolution and to channel our society's social energy toward its implementation. Three of four preceding decades were characterized by a frenetic struggle by the forces of etatism on the one hand, and the forces of self-management on the other, over the character and directions of changing production relations. Our society developed quickly, only to become stuck today in a deep strucutural crisis in which all delayed crises and all previous mistakes accumulated. In other words, today's crisis is a concentration of all social contradictions. In the meantime, various confusing ideas accumulated in people's minds, as did many ideological delusions and deceptions, many attempts at concealing and hiding behind a false cloak.

Our present very serious crisis is a result and sum of many previous crises, and has therefore greatly shaken the country. If there were manifestations of nationalism before, today's manifestations of nationalism are a sum of all those previous ones; if there was bureaucratism, it has now become ossified and totally unproductive; if there were pretensions to leadership and deceptions through insistance on false homogenization, today's are more serious. The present suppressed position of the creative strata of society, of the workers, peasants, and the great majority of intelligentsia are the best indicators of the power which for decades has been accumulating with bureaucratic and technocratic forces.

This situation requires complete and concrete answers, especially by the creative strata of our society: Why are they in such a situation, who pushed them there, and how are they to free themselves? This is the meaning of the vanguard. Finally, the time has come also to clarify the dilemmas as to whether this is the result of the crisis of theory and poor system, or the result of inadequate implementation and incapable people.

The LCY cannot discuss only theoretically any possible strategic mistakes. We cannot only discuss the poor way the system was built, or the implementation of the economic policy and seek mistakes in it because the LC has not been and is not a delegate assembly, or the government even less so. We would not measure up to our tasks if we were to conduct a permanent differentiation as the only criterion and form of allegedly revolutionary practice without simultaneously not providing strategic answers and clarifying divisions.

The LCY must take a concrete stance on its own mistakes and setbacks, that is to say, it must eliminate them at once democratically and by force of argument, and at the same time stimulate and strengthen positive processes. We must show that the interdependence of all these mistakes creates the often mentioned bloc of antireform forces, which are the main brake on the changes. We must create a Yugoslav alliance of reform forces.

On the theoretical level, since the LCY program first appeared, it represented, and still represents a truly vanguard view of the world in the international workers' movement. Persisting in our theoretical and program documents have been views which, applied in practice, objectively speaking have reproduced the elements of state socialism. First, the program is still a model for building socialism in a country. The thesis that socialism is built implies a negation of commodity production. For over 3 decades the economic policy has been pursued in the manner of "building" socialism with methods of state-planned regulation of economic trends, which, with the passing of time, became less and less efficient.

The understanding of the world as a world of two systems, of which one, the capitalist, is facing collapse (and this is a vestige of Marxism of the twenties), has stimulated autarchy and the preservation of virtually a colonial structure of production forces. This rendered impossible a positive pressure of developed production forces and of the world market also isolating us too much from the achievements of the workers movement in the West.

These two theoretical premises were reproduced through all the program, constitutional, economic, and systemic documents during the past decade and years, and were fed by genuine interests of economic subjects to be protected against competition and sheltered by the state. The autarchy of socialism in a country, even if based on the strategy of socialist self-management, leads to a blockade of all the key social processes which ensure progress.

The long-term program of economic stabilization, in whose elaboration the most distinguished scientific workers in the field of economics took part, is making progress because it approaches the crisis as a structure, and not from the point of view of a buoyant market. However, in many of its forecasts it concerns itself only with the stabilization of the economy, which is completely at odds with the theses about the structural crisis. The problem, in fact, is that it has not provided a comprehensive projection of the structural changes in the economy. In our current economic policy everything was reduced consistently to enumerate, and constantly to adjust the partial measures under the pressure of the balance of forces and in accordance with the logic of political and economic pragmatism.

These are basic theoretical mistakes of a strategic nature, which in the second important area—construction of the political and economic system—had negative consequences.

The application of some of these premises in the Constitution and in the Law on Associated Labor has made it possible, via the economic and political system, for voluntarism of state-socialist regulations to be further reproduced and the practice of cutting itself off from the world market continued, which in the internal field is subsequently expressed in the fragmentation of the

Yugoslav market and in the encapsulation into the so-called national economist, in their being run by the state, and in the establishment, in this way, of several forms of state socialism.

That is the economic basis of the political crisis in the country. The depth of the crisis is revealing the truth that national and municipal bureaucracies, as well as the federal bureaucracy, can only keep themselves in power without self-management, and that the etatized national economies can only maintain themselves if they obtain political legitimacy. The fragmentation and federalization of the LCY was the result of the federal center of political power being dismantled through the alignment of the LCY leadership with republican and provincial etatisms. The unchanged essence of the LCY, still the organization of government, additionally strengthened these processes and alienated parts of the LC from each other. This process makes them increasingly different, and alignment with "national" etatisms makes them all the more opposed to each other.

I think that it is possible to see the danger of the once monolithic state party of the phase of state socialism being transformed into a conglomeration or coalition of national-populist organizations which subordinate the masses, end the mediation of the Socialist Alliance, negate pluralism and individualism, and return once again in effect to the forms of organized "popular" democracy of monopolistic capitalism or even state socialism.

There is a danger, in fact, of the whole of democracy being realized through independent and mutually opposed sections of the LCY as ipso facto national parties. There is no room then here for either the democracy of the Socialist Alliance or the democracy of the institutions of the system and legal order.

This type of political organization engenders or revives the awareness that the basic aim and condition of democracy is not the limitation of government but its destruction.

Finally, the Three Reforms Mean a Complete Reform With Which Yugoslav Socialism Will Begin To Overcome Its Structural Crisis [subhead]

All that I have said so far is surely sufficient in this situation to be taken as a plea for the fundamental renewal of socialism in our country, a renewal in which everything old and worn out will be rejected and replaced with something new, and all that is good and progressive will be preserved and strengthened. We must make a break with old ideological and theoretical dogmas, mistaken and wrong systemic solutions, all forms of state-party alliance against the working class and the intelligentsia, all bureaucratism and technocratism, old and outdated structures in industry, closed borders, and, in particular, with national egoism.

The renewal of socialism means removing its old and tight fitting clothing, allowing people to breathe freely in it and go about their creative work unhindered with all the knowledge and will that they have, to feel like free citizens in the country in which they live, to be linked with all the progressive streams and forces of the world regardless of systems and borders. This is, here and now, the condition for the survival of an open, creative, restless, progressive, and socialist society.

We have tried before to implement isolated reforms in the economy, party, and political system. However, today all three are necessary. Practice itself points us to Marx' theory that the essence of things arises out of their mutual interrelation. and the lact of integration and synchronization of earlier reforms is the reason why they failed.

The economic reforms of the sixties failed because of the antireform alliance of the state and party which comprise etatism. We attempted to realize reform of the political system for its own sake without changing production relations; and reform of the party was not possible either without touching its more or less monopolistic role in the political system, its arbitration in production relations, and so on. This is precisely why the blockage has arisen in the development of socialism in our country. And then, unavoidably, intranational relations worsen as well. Because the essence of our nations is also realised precisely in the way that they interrelate with one another just as much as in their autonomy, and not only in their glorious and common past. And the way our nations interrelate and the guarantee of their freedom and future is socialism and socialist self-management.

This is why the ideas which won through at the recent LCY conference are not only a vision but also the material force of revolutionary change of the situation. For us, revolutionary can only mean democratic! And without delaying or waiting for "better times." If the conclusions of the conference have determined the right goal, if we wish for democratic methods and unity throughout the country, this means that we must ensure the victory of the three reforms. And this is, in fact, the combined reform of our socialism. We have to state concretely and at one that this means that in carrying it out every person in this country could make the choice between progress and backwardness, between the further advance of socialism and its decay, without anyone manipulating him. This path is totally opposite to the policy of false promises about an easy and painless turnabout, which in the present situation is only an adaptation of the policy of delaying changes which has been conducted for too long in this country.

We are bound to provide a concrete program which will enable every person in this country to make his personal choice, to involve himself personally, and to take on his share of the responsibility, but also to know what awaits him and what he will achieve and gain.

The strategy of the reform of socialism is realizable only if people have a clear and convincing picture of the society they want, and only if they are themselves convinced that the changed society will function better than the one before. Socialism is not a goal which people use as a means, rather the goal is the liberation of man, his even freer and more right life. The means of that liberation is the socialism of growing human needs and possibilities. This is why today we are radically changing the kind of socialism which is more of a fetter to people and less the wide expanse of freedom.

After almost 4 decades since the introduction of workers' management we are indeed faced with the need, at the cost of our survival, to finally abandon the remaining means, methods, and contents of *State Socialism* and its sociopolitical forms. The condition for this is an economically, politically and culturally open society, increasingly integrated within Yugoslavia and increasingly open toward the progressive forces of the world, regardless of whether this comes about as an economic necessity through the world market or through class solidarity and cooperation by means of political integration with the progressive forces of the world.

The politicization of the economic process in state socialism and through military industry, ecological conflicts, and so on in capitalism as well, is a basis on which we should look for differences on which to create an economically efficient and politically democratic system which people will accept because they wish to and not because they are forced to live in it.

The new stage of socialism must be characterized by the increasing influence of the working class and the working people on social processes. For precisely this reason the reconstruction of socialism will signify and end to the party state and will herald the development of a constitutional system in which any authority will be democratically restricted and publically controlled. This one will be a strong state not identical with statism but modern, rational, efficient, and well organized, a state capable of making use of all technological achievements. Only a democratically controlled state can be of this type.

A prerequisite for this is reform of the LCY and its separation from the state. This separation will strengthen both the LCY and the state and weaken statism. For, comrades, what is statism? However much historically inevitable at the initial stages of socialism when it is still revolutionary, as time passes it inevitably changes into a pact between the state and the party at the expense of the working class and people. In this way the SAWP would also be given a real chance of becoming a platform for free expression of various self-managing interests and of exercizing democratic control. The trade unions, the war veterans, the young people, and even now self-managing social movements such as the ecological one, would create a positive socialist climate from which the LCY would constantly supply itself with new knowledge, receive messages and warnings, criticism, and support. In such a cauldron of alternatives the LCY will ensure the presence of a historic alternative which is a class one but which has nothing to do with outmoded dogmatic stereotypes on the class struggle.

On the Main Concept of the Economic Reform and Challenges Posed by Its Implementation. [subhead]

In other words, Yugoslav society is faced with one of the most complex tasks— the project of economic reform— on which the very future of socialism directly and largely depends. We should embark, with all our strength, on this reform at the beginning of next year. The Central Committee will consider its ideopolitical aspects either at the end of this month or the beginning of next month. Without going into detail I would however like to highlight the main points and to draw attention to the likely challenges we may encounter in implementing it.

There have been earlier attempts to reform the economic system but the results always failed to materialize because the answers to key issues were always delayed until better times. With cheap foreign capital around it was possible to buy both social peace and an unrealistic living standard and even delay structural changes in the economy. However, the time has come to settle accounts. The debtor-consumer mind not matched with an adequate corresponding development in our own production forces and coupled with constant increases in technobureaucratic and etatist meddling in the economy have led to the provincialization of production forces and production relations. The circumstances were conducive to the process of disintegration since consumption did not need any internal or external production pacts. Such a system of social reproduction created an adequate social division of labor which was incapable of supporting social progress but, objectively speaking, was below the level of capitalist mode of production and continued to lead society and relations within it astray toward the Asiatic mode of production and social despotism. On this basis we developed an antireproduction policy of distributive economy which was not intended to improve the social distribution of labor nor could it accomplish it in the light of its structure but which instead regenerated a "shadow economy" and a bureaucratic social milieu. The economic practice of this type of economic philosophy had no chance of being efficient on Yugoslav territory let alone within the framework of strong selection in international economic relations.

Economic reforms both at home and in all other socialist countries failed because the ossified political-bureaucratic structures were not prepared to give up their great power which was inevitably undermined and threatened by the increasing functioning of economic laws and the market, above all. Any indication that the power and influence of these structures were weakening was taken as an excuse to turn our backs on economic reforms and, by implication, on the democratization of society. This is the basis of the so-called real socialism manifested in the

paternalistic attitude and power of social bureaucracy on the one hand and in the poverty of the working class and citizens, often deprived of their basic democratic rights, on the other.

This type of social reproduction calls for the criticism of ownership itself, primarily state ownership which, in our country, has been overcome despite some current processes to define its social character. Despite proclamation we have not, in fact, yet succeeded in establishing a genuine social ownership as a basis for material and social reproduction. However, we must persevere in fulfilling this historic task as a foundation of the new mode of production and new social relations.

As communists with a respect for objective controversies surrounding the development of a society, we cannot oppose pluralism in ownership forms. Private ownership must not simply be given but, objectively speaking, it has its place in the present phase of our development. Big businesses and the dominance of social ownership as a reproductive basis of socialist self-management must provide limits for private ownership. As regards class divisions, the restriction is that the class of big and middle capitalist could not and should not be restored. We have never embarked on an objective criticism of private ownership but only on explaining its moral-political context. It is the same with the critical evaluation of social ownership which is developing slowly under the existing system of social division of labor and etatist interference in current economic policy.

The reform must be along the lines of this dialectical separation, in the synthesis of relations, to strengthen socialism's social, moral, cultural, and political program. Today, too, we have on the scene all forms of ownership. However, their economic articulation is completely neglected, which is very recognizable in the behavior of the state which, for example, does not carry out its tax collection function, as do all developed capitalism states. Hence the tax system question is the precondition for the realization of ithe concept of pluralistic ownership and, of course, one of the basic preconditons for the success of the economic reforms. Social ownership seeks its affirmation in the framework of profound economic and democratic changes. We have handed over control of the factory to the workers but the technobureaucrats have seized the income management. Divided ownership cannot yield economic fruit to anything approaching the extent that would be yielded if concrete workers in associated labor organizations owned all of it. We must discover a solution, in the framework of the economic reform, so social ownership under commodity production conditions becomes the bearer of material development and the basis of the development of socialist self-management. The controversies of commoodity production and their accumulation over history should be used to strengthen both social ownership and its relations. After all, in present conditons the material basis of self-management has virtually been liquidated, and the revolution and its relations cannot be built on revolutionary romanticism. This means that we have placed workers in a position in which they are exploited and given no incentives. Hence it is also pure illusion to seek their working and social involvement, under current conditions, to find a way out of the crisis.

In the framework of economic reform, the LC must take a stand on worker poverty. Work must be the source of a dignified existence; in Yugoslavia no one should be hungry! And everyone who works ought to live reasonably decently and be able to meet basic living standards. Unless this happens our reforms have no purpose whatsoever, nor can we expect the working class to accept them.

In fact, our standpoint toward the reforms must also contain a concrete social program. The worker will be embarking on the reform with an uncertain tasks, and we must take this into account. There will be movement from one factory to another. There will also be the phenomenon of workers being laid off. In cases when a worker is laid off through no fault of his own, his existence must be protected. The LC must support such an orientation; if it does not, reform will degenerate into social turmoil, misery, and the penury of a section of the working class. The economic reform will bring about a large shake up. It is only possible to soften the impact of this shake up by elaborating social policy to include concrete tasks. The transition to a market economy will be difficult and the workers themselves will resist it. However, wherever business is not done in an economically rational and productive way the belt must be tightened. It must be tightened not only by workers but by all others, especially those who have the most. But this belt tightening must be certain and it must be clear that it will lead to a better life tomorrow, that production means a social program for a better life, not merely a practical way of testing economic models. In 1972 in Prijedor, Tito said: "It is very well known what is possible at a given moment and what is possible today. And because we know what is possible today and what is not, we should not deceive people with deceitful slogans. After all, the lie will rebound on us."

To arrive at a turnaround, in addition to what has already been said, it is necessary to carry out a process of economic restructuring. In this today we are but on the periphery of the international division of labor; we have an apprentice style role. This work should be carried out in accordance with well-known economic criteria by which investment projects are selected according to the economic expenditure principle, in other words full efficiency and profitability. It is not particularly wise to carry it out in accordance with the criteria of national economic myths. To realize this, the banks must be independent subjects which (?will not) seek an evaluation of some investment project by party committees and political structures, the basis of the vulgar, so to speak, economics of agreement.

The country's efforts in this direction ought to be strengthened by solving the problem of our various economic bad debts and turning them into a public state debt. Of course, this implies the circulation of bonds, without which it would be difficult to pay this pubilc debt. Foreign investment ought to be placed in the category of additional assistance to all our efforts to give the economic reform an attribute of social and material progress. In other words, foreign investment should be stimulated up to a point where it does not threaten reproduction and the development of socialist self-managing relations. We must firmly insist on this and there can be no concessions here.

Yugoslavia must emerge from the economic reform—and this should be examined and evaluated—at a technologically higher level, but also with democratic and socialist social organization and social relations.

The planning of the economic reform ought not, however, to stop at criticism of what has been and is. It is necessary to incorporate new ideas. Science, as one of the key elements of modern production, must search for new technologies and new production methods. There is no revolutionary practice without this orientation and without this search for a revolutionary theory. Economic reform must at the same time be a process of overcoming the present economic crisis and contribute to contemporary scientific-technological achievements in robotics, information technology, cybernetics, etc., and of course in social development, which gives birth to new production methods with a progressive social division of labor and its humanization. Yugoslavia must not lag behind in these processes.

The current economic policy has always had to, and, at the present moment in particular, has to go to meet economic reform and distance itself from the pragmatism of survival and the palliatives of its own measures. The priority task is the deregulation of state measures in the economy and the opening up of the process toward greater autonomy of economic subjects, particularly making way for their business initiatives. In conditions where market criteria operate it becomes clear that work organizations must bear the consequences of mistakes in their development and business policies. One cannot, on the one hand invoke market forces and the free initiative of economic enterprise, and on the other seek state protection for uninventiveness, poor quality products and utilization of capacity, poor work organization, and out-dated production programs. State interventionism so far has been based on the calculation that it is better to save an incompetent economy, than to have a work collective in one's own municipality or republic which could pose a threat to a tired state and political bureaucracy with possible consequent social unrest. It is no coincidence that already, on the threshold of economic reform and its partial instrumentalization, workers are taking fright at this very economic reform because of alleged mass lay-offs from work without any social security. The instruments of economic policy must, whatever the case, be such that they take account of economic necessity and the logic of the economic competitiveness of economic subjects, because without a strong domestic market it is difficult to guarantee a sure and lasting survival on the international market.

Previous economic policies, with their hallmark of administrative interference founded on the principle of the freezing and unfreezing of prices, has not yielded worthwhile results; on the contrary, it has inflamed inflation because of the temporary nature and paucity of its instruments, instead of reducing it. And since inflation is a radical form of exploitation of the poorest strata of society, its eradication is the first task of any current economic policy and the political accountability of its exponents is an issue.

We must specify precisely the place of modern state intervention in the economy, because it is clear that we cannot all concern ourselves with everything. The National Bank of Yugoslavia, for example, should be given the right to conduct the policy of the value of the dinar, but should also be accountable for this task, because it is only by such a precise distribution of the jurisdiction of rights in the sphere creating and implementing economic policy that tomorrow's bearers of responsibility can be sought.

Current economic policy has largely relied on and been reduced to measures of monetary-credit policy, which means that attempts were made to resolve key relations in the actual production relationship in society simply in the monetary sphere. Marx also warned us that money clouds primary social relations. One-sided economic policy has clearly brought us to a situation in recent years of even greater economic imbalance and conflicts. Such an economic policy has impoverished the poor, improverished the economy, and enriched only a narrow stratum of society. Thus only about 10 percent of savings accounts now have at their disposal more than 80 percent of the total savings deposits in Yugoslavia, which clearly indicates the kind of stratification in question. The other example of the inefficiency of this kind of current economic policy (in many ways asocial) is exports. The constant slide of the dinar was expected to increase Yugoslavia's export competitiveness. Indeed, the actual volume of exports increased, but the foreign currency earnings remained below those of 1981. This means that we have been syphoning off our national wealth into the pockets of other countries. Likewise, it is well known that interest is paid out of surplus value, from profit. We do not have the profits from which to pay this interest, so that it is being paid on some collectives from the substance of production. This means that even simple reproduction itself has been disrupted. I am saying this not to settle accounts with economic laws, but with arbitrariness and improvisation. In all this, there is also the cost of earlier greed for credits which we must now return in full, but this is not the determining factor of such behavior, rather, it is frequently simply a mistaken prognosis. Improvisation,

piecemeal approaches, and compromises, if they continue along the lines of habit and inertia will certainly compromise and incapacitate economic reform.

The distributive economy was and still is the battleground of current economic policy in Yugoslavia. Hence the existing disparity between production and superstructure in the distribution of generated value. Under the distributive economy the hands and the brain have become stunted but the mouth and the stomach of society have grown to colossal proportions. On the eve of the 1965 economic reform, the economy had at its disposal 67 percent of income while today this is below 50 percent. At a time of social disturbances the news is arriving that these funds of the superstructure have been filled for 6, 7, or 8 months, and the economy is hastily being paid back what was taken in excess of the plan. Was this also the case last year with money, and why was it not returned? Is not the bureaucracy buying social peace in this way as well, or should the economy be unburdened through regular instruments of economic policy?

Personal incomes are often blamed as the main generators of inflation, and according to this logic the greatest burden of stabilization is cast on to the shoulders of workers. This is quite wrong: personal incomes in the structure of costs of production amount to only about 10 percent, and in their purchasing power are almost residual in size.

The task of economic policy of the competent organs is to seek instruments which will bring down inflation and redistribute the burden of stabilization on to the shoulders of everyone, on the basis of their economic strength. All other orientations lead society into social unrest, into social injustice, which we communists must stand against.

Development policy and particularly current economic and industrial trends have been discussed several times by us at the Central Committee and in the Presidium in a critical way and we have analyzed the trends. On that basis we have established tasks. However, the situation in the economy has not changed essentially. On the contrary, overall economic trends are continuing to worsen and become more strained in the main sectors of economic activity. This threatens the realization of the basic aims of socioeconomic development. Other than certain positive results in the spheres of exports, foreign currency reserves, and foreign currency earnings from tourism, a decisive change of direction has not been achieved in the strategic directions of development in the struggle against inflation, for increasing production, for restructuring and unburdening the economy, and making it capable of more effective operation and broader participation in the world economy. The economic policy measures which have been taken have not contributed to this, and there was insufficient readiness to adopt them in good time and to comprehensively implement them in all sectors of society. Similarly, a program of social policy has not been established on time or implemented as a basis for the preservation and protection of the living standards of workers with the lowest incomes and large families.

A contribution to the extremely unfavorable material and economic position of industry is made by the over-large amount of resources taken from the earnings of industry. These have been taken for a long time because of the great unproductive and irrational expenditure in sociopolitical communities and organizations of associated labor, the low level of utilization of production capacities, excessive administration, and so on. In this connection we are faced with the immobilization of important social resources in separate accounts in self-managing communities of interests and similar places, which are standing there inactive. On the other hand industry lacks turnover resources. All of this contributes to the fall in economic activity, particularly of industrial production, and the reduction of activities in the construction industry and other branches of industry and industrial activities. As well as this, the great drought—which is in the nature of a natural disaster—has brought agriculture into an exceptionally difficult economic situation. This has exacerbated the problems of living standards of a large number of working people and citizens, above all because of the rapid fall in real personal incomes.

Communists must resolutely advocate that by the end of this year, urgent measures are taken to reduce the over-burdening of the economy by the conduct of general and joint spending, and in particular budgetary and extrabudgetary spending in the framework of real income and the material potential of the economy. The generation of dormant funds in the self-managing communities of interest must be prevented, and their return to the economy must be immediately secured. In this connection it is vital to reexamine the existing policy of interest rates and the taxation and accounting system. This is the consequence, above all, of the growth of appropriations for general and joint needs and the high growth in interest rates and other forms of expenditure.

The biggest problem we have been faced with over many years, and we have not succeeded in finding the right measures to resolve it, relates to the expressly unfavorable developments in the field of pricing policy. The chief tasks which all factors in business must immediately become involved in, should be the decisive struggle to halt the growth in inflation and curb it, increase production, bring about the growth in exports, improve the material position of the economy, and improve the living standard of working people.

The accumulated social problems of a large number of working people and citizens and the growth in social differences which are not the result of work, must be resolved immediately by measures of social policy and social protection, both in the sociopolitical communities and in the organizations of associated labor. In this, communists in the trade unions, in the SAWP and in

other organizations have very responsible tasks. At the same time we must campaign so that social policy becomes a constituent and essential part of developmental policy and a singificant factor in the development of society and the security of workng people and citizens.

Over the past few days the FEC proposed to the SFRY Assembly specific economic policy measures which serve this. However, we believe that this is nowhere near sufficient.

A Word or Two About the Reform of the Political System [subhead]

I do not want to speak in great detail about the reform of the political system, in other words I do not want to go into great detail about its essence and into proving why and in what respects it is essential. Furthermore, there has been, or there will be discussion on this in several places in this speech. Immediately after this session, the Central Committee will hold the 18th session, and the ideopolitical aspects of the constitutional changes are on the agenda, so this will also be a reason, and opportunity, to intimate new, more profound changes in the political system of socialist self-management, and which await us in the near future. For the 14th congress a platform should be worked on for this further work on the changes to the constitutional system, including also the possibility of drawing up a new constitution.

Nothing in our political system is sacred and unchangeable except the foundations on which socialist federative Yugoslavia are based.

I would say that since the 12th LCY Congress at which the initiative was adopted to make a critical analysis of the political system of socialist self-management, up till today, we have lost a lot of time in superfluous discussions and many unnecessary politicizations. In the "Guidelines for the Development of the Political System of Socialist Self-Management," E. Kardelj pleaded for a deeper examination, as well as corrections and new solutions, which were approved in the seventies and which found their expression above all in the norms of the Constitution and the Law on Associated Labor. Afterward we were not capable of doing this, or it seems, prepared to do this. There is not one concrete solution that lasts forever and cannot be changed. And it is clear that the limits to the changes are set not in the threat to, but in the development of, the basic principles and achievements of the revolution on which socialist and federative Yugoslavia, a country of fraternal and equal nations and nationalities, is based.

I would stress in particular in these circumstances that all of the solutions in the political system of socialist self-management, both those which exist and those which are being proposed and which will be adopted very shortly or at any time in the future, must above all serve the integration of Yugoslavia as a country controlled by the working class, a socialist self-managing community of people, and a socialist federation of nations and nationalities.

The activity in the preparation of the changes to the SFRY Constitution is successfully being brought to an end. The Commission for Constitutional Questions yesterday established a definitive text of the draft amendments so in this way the conditions have been created in which, over the next few days, the SFRY Assembly's Federal Chamber will consider and approve the draft amendments. In this way the conditions have also been created for the constitutional changes to be realized with the planned dynamic.

To be sure, reservations still exist about some of the proposed solutions but they are expected to be overcome in the days ahead in a democratic, well-argumented, and constructive debate.

We shall deal more comprehensively with the ideopolitical essence of the draft amendments at tomorrow's LCY Central Committee session. Despite this, today I want to stress the fact that the establishment of the draft amendments within the time-scale envisaged represents a very significant step in terms of realizing the commitments of the LCY to the further guidelines of the development, and further construction, of the political system of socialist self-management. The changes being proposed are significant and far-reaching and in particular they are ones with which the conditions are generated for the implementation of the economic reforms. In this way to a large extent we are drawing near to realizing the stances of the LCY conference on the reform of the economic and political system.

There is no doubt that the draft amendments to the SFRY Constitution will be approved in the SFRY Assembly on Republic Day [29 November]. Then it will be possible to work peacefully and in an improved situation, when the economic reforms are bringing their first positive results, and without hustle and bustle, on a better and shorter constitution.

We are on the point of adopting changes regarding the constitutional position of the SR of Serbia and the Social Autonomous Provinces of Vojvodina and Kosovo which for such a long time have continued to upset political life not just in Serbia but in Yugoslavia as a whole. These include changes in the SFRY Constitution and the Constitutions of the SR of Serbia and the two provinces. Back in 1985 and later at the 13th LCY Congress and the LCY Conference, the LCY Central Committee assumed its principal standpoints on these issues which went insufficiently heeded. The LCY Central Committee Presidium finally decided to "interfere" on 30 September by insisting that these standpoints be implemented. We believe that in this way it contributed to the efforts by the Constitutional Commission of the SR of Serbia to harmonize outstanding issues.

Reform of the LC Aimed at Not Maintaining But Abolishing Political Monopoly [subhead]

Faced with the task of transforming itself from a party in power to a party active among the working class in order to enable the working class to take over power in society, the LC has, since the 1952 congress, been guided by the awareness that its program, the method of organization and activity are inseparable from the role of the working class in the system of socialist self-management. The LCY has courageously embarked on the move which in the long run leads to the elimination of all forms of mediation and representation "on behalf of the class," "above the class," and "for the class" carried out by the state, or the state party or any other party, capital, and its institutions, and so on. The LCY's guiding idea has been to make the working class the principal subjects of the new mode of production in society by introducing new forms of organization in production, a new system of distributing material goods, and communication among people.

However, up to now, our society has failed, despite great initial results in developing socialist self-management, to rid itself of etatism while the LC has failed to rid itself of a conduct appropriate to a party in power.

In recent months we have witnessed the sharpest criticism by the working class since the socialist revolution which confirmed Tito's words uttered in the fifties to the effect that the party must separate itself from the state if it does not want to distance itself from the working class. Therefore, instead of concentrating on the state and on its belief in the omnipotence of normative solutions and the strength of the movement, the LC must turn to the class and to organizing the communist movement which, as a creative force in the system of socialist self-management and in the delegate system will promote and link all production, class, scientific and technological forces, and tendencies which strive to overtake and exceed the "existing situation" on the road to social progress and work.

It is more than obvious today that we must work hard to eliminate the remaining elements of the LCY's political monopoly.

By our very orientation to socialist self-management we have provided the guidelines for our development from a one-party or multiparty system to a nonparty system, from one or more political monopolies to their abolition and to the withering away of the party. However, in many of its aspects the LC has not yet overcome the practice and conduct of a political monopoly, partly because of objective reasons resulting from the subjective factor's limited possibility for changing history, from the class configuration in both society and the LCY, and so on. Precisely for these reasons and with the aim of safeguarding the achievements of the socialist revolution, Kardelj stresses in his "The Directions of Development..." [TANJUG ellipses] that "the LC fought and will continue to fight—together with other socialist forces—to secure its direct influence on those key positions of the state authority on which the survival, stability, and further free development of our socialist society depends. Only in this sense," he stresses, "can one speak about the elements of a one-party system in our society."

Except in this sphere of fundamental importance for the survival and further progress of our socialist society, there is no other reason for the existence of any other elements of the LC's political monopoly. What is more, maintaining these elements would lead to preserving its role as a ruling party as in the phase of state socialism.

There are many things which the LC has preserved for itself but which, in the political system of socialist self-management belongs not only to it but also to other subjects and which belongs to the sphere of direct self-management.

To abolish these elements of political monpoly is one of our main tasks in carrying out a deeper transformation of the LC as requested by the LCY conference. It is our duty to begin this task immediately and, as a part of preparations for the 14th LCY Congress, we propose that a commission for the transformation of the LCY should be formed at this session today.

The LC's political monopoly manifests itself in many more ways, above all, in its attitude to the working class. Very often the LC acts as a restraining force on the working class, behaves toward it as an external force which dictates and which sees the working class as an object. But, the LC should, in fact, operate within the class; It should transform class awareness by itself being aware of class; and it should initiate, organize, and direct its actions within the system of socialist self-management. Frequent workers strikes and their messages clearly indicate that, regardless of the constitution and all our norms and proclamations, the working class still sees itself as an object, as being treated as hired labor, and as being blocked by bureaucratic pressures and manipulations. Precisely for this reason, the LC organizations and the trade union organizations, must be there with the workers and beside the workers whenever they genuinely oppose attempts at destroying self-management, protesting at bad organization of work, incompetent management organs, violation of the principles of distribution of income according to labor results, at bureaucratic behavior in their commune or society as a whole. But, they must have enough strength and capacity to also oppose anarchy and unjustified demands which are also sometimes reflected in the strikes whenever they occur. We communists must return to the people and among the workers and share with the people both the good and the bad. In that way we shall regain lost confidence.

The LC often still acts as an arbiter from outside and from above toward self-management forces in organizations of associated labor and work communities, in

socio-political and self-management interest communities, and throughout the delegate system. What happens is that it often interferes inappropriately in self-management development either by making decisions beforehand or by sanctioning them afterward in a binding way, by apportioning commitments to others—and not only to its own members—instead of encouraging them and winning them over by the force of argument.

The most important thing is that the social role and responsibility of the SAWP should not be pushed aside or underrated because the battle for socialism cannot be waged by the LC on its own. The LC can confirm itself and develop as an internal, driving, mobilizing, and ideologically and politically led force in our society only by means of democratic cooperation and links with the broadest socialist forces within the Socialist Alliance and the overall system of socialist self-management democracy, instead of being enclosed within itself and its organizations and forms of activity. It is here, that is within the broadest front of self-management forces, that the LC must assert itself as the principal move initiating and opening up free and responsible dialogues from positions of socialism in the resolution of open issues and acute problems of our life, work, and development. Let me add that these 2 million LC members in addition to another 16 million adults must not in any way be privileged as far as cooperation in our political life, self-management decisionmaking, appointment to professional and social duties, and election into delegate and self-management bodies are concerned.

The transformation of the LC will proceed with difficulty unless the communists are more alive to criticism from the ranks of "nonparty people," from the ranks of the Socialist Alliance, the Federation of Trade Unions, the war veterans organization, the youth organization, delegate bodies, and all self-management bodies, starting with worker rallies and citizen meetings. It is more necessary for criticism to be addressed to it rather than the LC sticking to the habit of criticizing others and forgetting to criticize itself.

In its daily practice, the LC must adopt a different posture vis-a-vis the state and its executive-administrative organs. Today it meddles unnecessarily in the jurisdiction of the state, discusses and gives its blessing to issues pertaining to the jurisdiction of the state, taking on itself the responsibility of state executive organs instead of maintaining the necessary critical distance.

Nor is the LC opening itself adequately toward socialist public opinion and it has not equipped itself to fight for this opinion in a new way; it still resorts to a behind-the-scenes policy and it is not yet waging a public—and cogently argued enough—struggle for its stands and policy and does not respect adequately this opinion as a force and as an expression of socialist democracy. On the other hand, it often reduces the ideological struggle against anticommunist and antisocialist statements and activity to forum-originated condemnations and futile phrases. It does not stress enough the need for freedom of opinion and through inertia agrees to, admittedly increasingly infrequent, administrative measures in order allegedly to prevent the public form being alarmed.

The most prominent LC monopoly is the area of cadre policy which is no longer tenable in the development of socialist self-management in its political system. Instead of the LC giving its blessing to all cadre solutions in socio-political organizations and communities and in organizations of associated labor and instead of frequently asking its professional cadres to take up their managerial jobs, it should be the workers, the working people and the citizens, and their self-management organs and delegate bodies who should be deciding about it and who should be controlling those whom they choose and appoint, and should assess their work and lay down their responsibilities. Socialist public opinion will have to pay an increasingly major role in discharging all public functions on the condition that the secret policy methods and the methods of cadre kitchen and clan appointments method are abandoned.

The notorious cadre bosses, enamored of their lists and personnel files, who from their offices distribute "the cadres" and play around with the future of the people, must be removed from the LC and its practice, even when they agree to several candidates. These people involved in "cadre-mongering" in fact eliminate the opportunity of the people through free elections, law, and competition to get every job and every senior post.

In particular the notorious "political suitability" practice must be abolished and the people should be approved of, let us say, through discussions in the Socialist Alliance and through free and direct elections, competition, and work legislation.

Since we are a revolutionary organization there is no successful transformation of the LC without full affirmation of democratic centralism as the basic principle of its internal relations which today is under a threat in both of its component parts.

For instance, the inadequate nature of democratic relations in the LCY is still reflected in the fact that LC members have not yet asserted themselves as the basic force for shaping and implementing LCY policy and that the role and the practice of basic organizations in preparing the adoption and implementation of LCY decisions has not yet been developed. This is the consequence not only of an erroneous practice but of the real status of LC members and basic organizations in relation to LC organs. A radical change of this attitude toward the advantage of the members and basic organizations would encourage reaffirmation of work in the social basis. On the basis of personal example and moral reputation of LC members it would set in motion the required creative energy of the membership, the working class, young people, and all socialist-oriented working people and citizens.

Democratic relations are especially threatened by the increasingly frequent name calling, disqualifications, and repression of those who had set out critical views on some political issues and problems, about the behavior of other LC members, about the stands and work of an LC organ and its member, although according to the LCY Statute LCY members cannot be called to political account for that. We as the Presidium reacted on several occasions to manifestations of people being criticized by name for what has been said during LCY Central Committee sessions. This practice, however has recently been continued; militant witch hunts and campaigns are organized and conducted against those who express their critical views even in the mildest of forms on the work of an LCY organ, demands are made to lynch them politically whereby not only is the elementary statutory right of LCY members denied but the LCY Statute (Article 30) is flagrantly violated. These campaigns of intimidation, name-calling, and demands for political accountability are directly aimed at stifling inter-party democracy and at violating the principle of democratic centralism at its core.

Recently, interparty democracy has been violated to unheard-of dimensions by the widespread freedom "to criticize people by name" and arbitrarily to denounce party and all other leaderships in "another" republic and province, or in the federation; doing this most frequently, not only is any form of criticism of "one's own" leadership and "our" leaders omitted, but they are frequently praised and glorified without criticism. If criticism emerges, very concrete and unfavorable consequences ensue for those addressing such criticism. Recently we have been witnessing, apart from fair criticism, also unprecedented, unsupported by argument, and at meetings and in the press, name-calling and condemnation of individuals and of entire leaderships, including the LCY Central Committee and its Presidium, and, on the other hand, euphoric glorification of individuals and of only one, "one's own," leadership and its messianic role.

The LCY must muster enough strength to resist these destructive tendencies, which have nothing in common with its revolutionary democratic identity. In the past when similar tendencies and conduct broke out in our society, Edvard Kardelj served the following warning: "Autocracy by individuals and groups under the 'We and the people' slogan would be the last step before the collapse of the political system of socialist democracy. Moreover, such slogans always were a cover for varius forms of autocracy and antidemocracy." I think that this warning is topical for our current situation because in many parts of the country and in the LC, from municipality upward, "leaderism," politicking, bureaucratic centralism, career-seeking, and a struggle for power is growing, and this, moreover, is characteristic feature of every form of fractionism and factionism, and this is seriously undermining the unity and the revolutionary essence of the LCY.

Let me also touch on the question of relations between minority and majority. There is no strengthening in interparty democracy unless we make sure that the right of LCY members who are in a minority is ensured that they can freely keep their own views, and that sanctions should not be applied to them on the condition that they are consistently and creatively carrying out the decisions of the majority.

New ideas always generated creative minorities, and what we are talking about is that their ideas should be circulated in a regular way and that they should become the property of the whole LCY. We must also proceed from this in settling internal realtions within the LCY. The creative minorities formed on an ad hoc basis on specific issues or problems are acceptable, but the factions, especially those thrown up in the struggle for power, are not acceptable; it would be fatal for LCY unity if minorities are formed on a national, republican, provincial, or any other territorial basis.

Recently we have been witnessing with increasing frequency the fact that democratic centralism is not functioning in its other component part—centralism. To a certain point it functions, and in some instances it is functioning very well up to the level of republican and provincial LC organizations, while at the LCY level not only is its impact felt poorly, but the unanimously adopted LCY Central Committee stands directly, openly, and publicly face polemics and are resisted with increasing frequency. These are all serious signs of the crisis of internal relations, of lack of both democracy and unity, and of reciprocal responsibility within the LCY as well. So far we have lacked the strength to discuss all these manifestations of violation of internal relations within the LCY specifically, openly and in good time, and this is why we now feel the consequences.

The urgency of the work of transform the LC has been stressed in the LCY for quite some time now. The 10th LCY Congress, held as far back as 1974, stressed the demand that the LCY must transform itself more rapidly into an organization of revolutionary action.

The LC too has succumbed to holding a meeting—"for the sake of holding a meeting" democracy—forum type of work, and paper activity. This is why, as Lenin demanded, "the style of work and leadership reflected in meetings, conferences, and in wasting time which deludes us into thinking that we are doing something and placates our conscience, suggesting that we have done something, must be overcome. Therefore, let us have less political hullabaloo, fancy words, advice, and instructions, and more businesslike effort and practicality, more actual concrete work and practical implementation of the agreed upon line."

We will heal this bureaucratic festering wound of the LC and of our entire society only if we tackle practical work on organizing and guiding self-activity of the working class and of all the workers in the institutions of the

political system of socialist self-management if we talk directly to the working class instead of this conversation being replaced with a conversation with administrative organs in organizations of associated labor or conversation with various political activs.

To put it briefly, we are not going for reform of the LCY in order to try to form some ideal political organization or because we want to simply adjust the LCY to the appearance of modern parties in the world. Still less are we entering into it in order to maintain the power of the existing leadership or for its leading team to adapt to new conditions. On the contrary, we are going into it so that the LC will really be up to realizing the aims which were established at the 13th congress and the LCY conference; economically, politically, and culturally open socialism, a dynamic Yugoslav society, technologically in information, ecologically and in production capable of accepting the most succesful world solutions and of competing with them, so that our society progresses toward a society of social justice, interest, and creative motivation, and equality of opportunity for talented and capable people.

To realize these aims, the LCY must win over people to its ideas by argument and dialogue within all social institutions and organizations, above all within the Socialist Alliance.

To achieve a genuinely self-managing pluralistic society, united in the historical aim of the liberation of labor, we must destroy the alliance of the state and the party of government; we must rid the LC itself of tutors and the influence of the ruling strata who are the exponents of bureaucratic forces. We must end the political monopoly of the LC whereby the LC actually becomes the instrument for politically and ideologically justifying bureaucratic rule, which is thereby spared criticism, checks, and dismissals. We must cross swords with the growing domination of empiricism, practicism, and pragmatism, and with the utopia of spontaneous action of the masses, because none of these tendencies is capable of offering society any alternative other than the past, and only conservatism and backwardness would result.

There must be a deeper transformation of the LCY, so that it can truly act as a force of vision and initiative, open to every creative and humanist criticism, oriented only toward democratic settlement of social issues and founded on the working class and the people, without the party and state acting like a monopoly in directing and commanding. This is a condition for it to truly—and in the future also—confirm itself as a proponent of creative synthesis of a policy which will continue to develop Yugoslavia along Tito's path of socialist self-management.

The transformation of the LCY should also be expressed by a new statute, which could be adopted by the 14th congress and we must all work seriously on this.

Reforms Are Above All a Chance for the Younger Generation [subhead]

The young generation of Yugoslavia and its current position in society show best of all our general lagging behind. The blocking of the people's initiative and the actual separation of the system from the people are reflected most drastically in the consciousness and behavior of young people. If he is unemployed, the young person is almost placed outside society and cannot do anything for himself. It is the last chance for directing the young people of this country and their dissatisfaction toward the renewal of socialism. Otherwise they will express justified indignation against bureaucratization and the constant delay of change and equate bureaucracy with socialism. It seems that an increasing number of young people are already doing this. All three reforms are for this reason above all a chance for young people. It is precisely knowledge and education, literacy with regard to information, and innovation which are the greatest revolutionary forces of work in contemporary society. Unemployed young people on average are far more educated than those who are employed. The whole story of restructuring society and leaving behind the industrial era in the name of a post-industrial society is contained in this simple truth. It is true, however, that today in Yugoslavia there are examples of small production units with 10 employees working with new technology. Only complete inertia explains why hundreds of such programs are not formed to create the start of a new dynamic economy which can employ many capable people.

The great strength of the young generation will be expressed when the three reforms remove the blocks from the employment procedure which the system has created, through the possibility of working with social and private resources and realistic payment for scientific work.

It would be a good thing if the Yugoslav youth federation listed all the initiatives and projects that have been carried out because it seems that the problem of ideas and how to carry them out is greater than that of the real possibilities.

The project of socialism we are starting now at a higher level and in new conditions will make the young generation a force which, in mobilizing its own work and knowledge, will mobilize society.

We Must Struggle With Deeds Against Counterrevolution in Kosovo [subhead]

All of Yugoslavia is fearful about the situation in Kosovo, the counterrevolutionary activity of Albanian nationalism and separatism, and the phenomena of revanchist nationalism among the ranks of other nations and nationalities. Yugoslavia wants the Kosovo trauma to be resolved, as it is the biggest problem at this moment in terms of calming political passions in the country.

A counterrevolutionary coup is written on the flag of Albanian nationalism in Kosovo and everywhere in Yugoslavia where there have been greater concentrations of the Albanian nationality since World War II, not to mention earlier times, when this nationalism perpetrated a Ballist terror against the Serbian, Montenegrin, and Macedonian nations within the borders of so-called Greater Albania, under the protection of Italian fascism. This was also shown in the Ballist rebellion in 1945; this was shown by the demonstrations and riots by Albanian nationalists and separatists in Kosovo in 1968 and 1981. Of course, the forces of Albanian nationalism are dreaming of violent activity today and tomorrow.

Albanian nationalism in Yugoslavia exists and will exist as a counterrevolutionary force for a long time still and we should have no illusions about this. In its plan, the ultimate goal is to join the areas where Albanians live to the mother nation state and it is always ready and capable of acting aggressively and brutally in order to drive out Serbs, Montenegrins, Macedonians, and members of other nations and nationalities from those areas. It is a question of how socialist forces in the Albanian nationality itself and among the ranks of other nations and nationalities in Kosovo, Macedonia, Montenegro, southern Serbia, and all Yugoslavia can eradicate and uproot it and take away from it scope for counterrevolutionary activity.

Albanian nationalism is continuing to organize and encourage the counterrevolution in Kosovo, with the aim of transferring it to other areas where Albanians live, and is carrying out indoctrination on the basis of the theories that Albanians in Yugoslavia are unequal, suppressed, and threatened. However, anyone who has made any attempt to seek the facts will see that in socialist Yugoslavia it is precisely the Albanian nationality which has made strong advances along the road of progress and has really achieved full equality. As far as I know, it is also the only national minority in the world whose members are educated in their mother tongue at a large university, at which they comprise 80 percent of the students, whose members are also the majority of members in an academy of sciences, which has at its disposal all the necessary cultural and information institutions, although these are not fortunately its alone, and are not in principle uninational.

The policy toward Kosovo and in relation to Kosovo both yesterday and today best indicates to what extent the whole of Yugoslavia, and Serbia in particular, was and is aware of the need for the Albanian nationality, to which 80 percent of the population in Kosovo now belongs, to develop and to integrate into the life of the country as completely equal and free.

In practical terms the main source of financing of economic investment in the region of the Kosovo Socialist Autonomous Province [SAP] in the past 2 decades has been federal funds which are credited with the more rapid development of economically underdeveloped republics and the SAP of Kosovo.

An Albanian has, according to the constitutional and statutory norms of the rotation order, been president of the SFRY Presidency and president of the LCY Central Committee Presidium in this country, not to mention all other positions in Kosovo, in Serbia, and Yugoslavia, which are open to people of Albanian nationality and in which they find themselves.

When we ask ourselves, however, the causes and roots of the nationalist counterrevolution in Kosovo, we must proceed from the awareness that the situation in Kosovo is only the worst expression of the crisis of ruling bureaucratic relations, which are a characteristic, more or less, of the situation in the whole country.

The open attacks on the forces of counterrevolution on the platform of Albanian nationalism, both in 1968 and 1981, have permitted the bureaucratic-etatist isolation of Kosovo from Serbia and Yugoslavia, which has lasted and increased over the decades, and which has not been overcome in the period from 1981 to the present day either. And this is the basic reason why the counterrevolution has not been crushed.

Kosovo has objectively turned into an Albanian province precisely on the basis of this etatist provincial isolationism, instead of being the province of all those who live in it, a constituent part of Serbia and fully open toward Yugoslavia, just so it can develop more rapidly and open up more favorable prospects for the Albanian nationality as well.

The distribution of resources which, as we have seen, were least created in Kosovo, and mainly acquired from "the rest" of Yugoslavia, has been, and remains today, as indeed elsewhere in Yugoslavia in etatist and technobureaucratic hands. The bedrock of the great relative backwardness and underdevelopment then encouraged the mentality of accusing the rest of Yugoslavia of offering little, assisting little, and on the other hand, gave rise to the aspiration for the legitimization of Kosovo in the representative sense as a de facto state which should be firmly recognized, equal to Serbia, Croatia, and so on, which should leave Serbia, and become an Albanian republic in Yugoslavia on the grounds that there a growing Albanian absolute majority exists here.

This then led to the powerful, influential, and spontaneous aspiration for ethnic purity, which is without doubt fascist in nature.

Just as it is clear today that there could be no stabilization of Yugoslavia without a solution to the situation in Kosovo, thus also a real and final stabilization of the situation in Kosovo is not possible until the whole of Yugoslavia is stabilized.

All of this has been and still is ground for the brutal activity of the organized forces of Albanian nationalism which are aided and abetted and stimulated from abroad.

And to this should also be added other, both momentary and historical determinants such as are the high birth rate of the Albanian population, the poverty of a large part of it, and a significant level of illiteracy. These too are factors which have played and are playing into the hands of subversion and the terror of blind Albanian nationalism, and favored the penetration far and wide and especially in the ranks of young people, of nationalist indoctrination. This nationalism pulls no punches to implement the goal of an ethnically pure Kosovo as the materialization of a totalitarian idea: one nation, one state, one leader.

And this development of things, let us add, has also been made use of by Serbian nationalism to revive nationalist motives and make calls to war (if they are lucky, as those for whom war is something fortunate, sing), that it might resolve what we as organized socialist forces are not succeeding in doing.

Yugoslavia, but also Serbia, previously knew too little about Kosovo and about what is happening in Kosovo precisely because of its etatist-bureaucratic isolation.

Only after the Ninth LCY Central Committee session and in particular everything which has been happening after the 16th LCY Central Committee session, the full, or at least a fuller truth about Kosovo has come out in Yugoslavia and finally it has perhaps overcome the consciousness that Kosovo is not somewhere far off, virtually on another planet, but in our house and that, as the focus of many of our ills, it is now shaking the whole of Yugoslavia.

We wonder why the LC and organized socialist forces have not succeeded,over the past 7 years, in defeating, if not fully, then much more and more resolutely, the counterrevolution in Kosovo. Weaknesses have been and are being demonstrated which, in the then specific circumstances, had and are having serious and tragic consequences. Forum-style work, empty declarations, the losing of contact with everyday problems in the work and life of the working masses, and the lack of essential work among young people—all this has weakened and continues to weaken the influence and action of the Kosovo LC in the struggle against nationalist counterrevolution.

For all these reasons we have raised the question—and we must admit we have been late in doing it—of responsibility, not only of communists and the leadership in Kosovo, which is primary and the greatest, but also beyond, in Serbia and Yugoslavia. After all, it is the task of all to finally wipe out the counterrevolution.

At the 16th Central Committee session in July we determined that we can in no way be satisfied with the implementation of the conclusions of the 9th session in June 1987. And we agreed to establish responsibility for what was not done, especially as intranational relations in Kosovo have further deteriorated, emigration of Serbs and Montenegrins is not being reduced, and national divisions and gatherings have become an almost daily occurrence, even after the 16th session.

Now, at this session, we are finally beginning to establish this responsibility and we will continue during the complex consideration of the report on the implementation of the Yugoslav program, etc. The fact that only the Presidium makes proposals to the LCY CC regarding its own responsibility and regarding the responsibility of others, is contained in point 9 of the proposed immediate tasks. You have also received a report from the Presidium on the activity of the LC and the Presidium in implementing the conclusions of the ninth session, which also served as a good basis, although not the only one, for the proposed measures of responsibility.

Where were our biggest mistakes after the Ninth LCY Central Committee Plenum? Above all, we interpreted the session in different ways. Then there was a lack of coordinated action, although this was the first item in the conclusions of the ninth session. There was no coordinated action most of all between the Kosovo LC Provincial Committee and the Serbian LC Central Committee, however much they worked togather. There was not enough involvement or coordinated action in the whole country, even if not everyone had equal specific potentials, duties, and responsibilities in this action. Today national divisions are increasingly pronounced and they threaten us with even more serious intranational conflicts which could be tragic for Kosovo, Serbia and, of course, Yugoslavia. This is the reason for our great concern over the situation in Kosovo.

For this reason, aside from all our earlier adopted platforms, resolutions, and conclusions we must on this occasion again ask ourselves what we must do in a more rapid and better way—all of us, communists and socialist forces, in Serbia and in Yugoslavia.

The most important question is how to stop the processes that are leading to an ethnically pure Kosovo. On the one hand, it is a question of immediately stopping with all our resources the emigration of Serbs, Montenegrins, and others in Kosovo under duress, and at the same time resolutely and effectively creating the conditions for their return and for the arrival of specialist cadres and workers from the whole country in Kosovo. On the other hand, it is a question of calming down the demographic explosion there. Our state administrative and specialist organs in Kosovo, Serbia, and Yugoslavia must immediately work in an energetic way on this. The issue of demographic development has still not even been properly placed by them on the agenda in Kosovo. If the present rate of population growth continues then

one employee in Kosovo will have to create the resources during his working life for the opening of two more jobs. This has not existed in Europe now for a long time, nor can any economy sustain it. Therefore, regardless of national affiliation and structure, it is simply a question of the prospects for life and work for future generations in Kosovo.

We must approach demographic development in Kosovo without politicization, as a question of the most favorable conditions and prospects for people's lives.

It is of fundamental importance that we should achieve the restoration of a common life and confidence among Albanians, Serbs, Montenegrins, and members of other nations and nationalities in Kosovo, through action by communists, action by all the progressive socialist forces, by every man who sets store by his standing, his honor, his humanity, and so on. This is, by the nature of things, the great majority of people regardless of their national affiliation. And to eradicate and prevent national divisions, instead of aggravating them. [sentence as received]

There is no political work among the Albanian masses, either within the SAWP framework, the local communities, or under any circumstances. They must be pulled from their passivity. The pressure of Albanian nationalism on them is great, but so is that of Serbian nationalism. If we still need protest meetings, then they are necessary precisely in Kosovo, so that Albanians can protest en masse and brand every loathsome action by Albanian nationalists.

In this respect, in Kosovo itself all communists, progressive, and honest people must struggle together against every and all nationalisms, directly, daily, and on the spot. The consequences of nationalist indoctrination of young people in Kosovo will be felt not just over the years but over the decades. In this respect, Albanians must speak above all about Albanian nationalism and not only speak, but struggle against it with all their force and in an energetic way, and they, and all of us in Yugoslavia have this impression, are not doing this enough, are not doing this on the spot, are not reacting to every manifestation of Albanian nationalism. The Serbs must speak out and struggle against Serbian nationalism. Unfortunately, behavior is often contrary to this.

As far as the action of the LC is concerned, the communists of Kosovo, Serbia, and Yugoslavia must together adopt stances on everything and must go into action together. In creating unity we must respect and apply the principles of democratic centralism and regular procedure in life within the party and in the the Serbian LC and in the LCY as a whole, because the Kosovo LC is an integral part of the Serbian LC and the LCY.

The responsibility of communists and the leaderships in Kosovo must be established very concretely as is stated in point 9 of the proposed immediate tasks and activities for this session. Those responsible must go. What was not done over the last 7 years must be done now and in the shortest time: differentiation, the establishment of responsibility, and cadre renewal.

The most important thing is the battle for young people in the ranks of the Albanian Nationality, so that fresh nationalists are not recruited, although nationalist indoctrination has penetrated far and wide. This is indicated by the fact that during this year nine illegal groups have been discovered in the Yugoslav People's Army in which there were 76 soldiers who were members of the Albanian nationality.

The persecution of Serbs and Montenegrins and members of other nations and nationalities by the Albanian nationalists must be eliminated by all means, but in the framework of the Constitution and legal norms. This country and this system must immediately ensure conditions for a peaceful life and the personal safety of Serbs and Montenegrins in Kosovo, and their property.

If protection of the persons, property, and sacred things of Serbs and Montenegrins and of everyone in Kosovo cannot be given by the organs and institutions of Kosovo, the organs and institutions of Serbia and Yugoslavia have an obligation to be brought into action.

It is likewise necessary to create conditions for the system's institutions to function in Kosovo. For this purpose an examination should be carried out of the work of all the institutions and organs. Those people who do not work properly should be dismissed and those who intentionally, or out of negligence—it is all the same—play into the hands of Albanian nationalists should be discovered.

Finally, it is most important of all, that Kosovo be integrated into Serbia and into Yugoslavia, that it be opened up and linked up [to the rest of Yugoslavia], that Albanians in Kosovo also go to receive their education and work throughout Yugoslavia, and that both Serbs and Montenegrins not only do not emigrate under duress but also come to Kosovo to work and live there, all together in peace and full equality.

On Challenges to Tito's Work [subhead]

Recently many people in our country and in many places—in the SAWP, in the veterans federation, and in the LC itself—have been speaking about and reacting to challenges to the historical work and role of Josip Broz Tito. Even if there had been no specific reason and no pamphlets or increasing numbers of literary and journalistic works attacking Tito's character and work, the current social situation, social events, all the trials faced by the LC and all organized socialist forces, all our current powerlessness to reverse the degrading of the revolution's achievements and the holdup in socialists self-management would be, and are, reasons for us to discuss Tito and the attacks on him. Much that is

happening in society and in the LC during the period after Tito's death obviously shows that we, in the LC in the front of organized socialist forces, and in the leaderships, have fallen far below the level of Tito's policy. Hiding behind Tito's name, verbally pledging allegiance to him, and carrying his picture have served as a complete alibi.

What, in fact, is the deeper background to attacks on Tito's character and work, which were certainly smoldering behind the scenes during his lifetime, and which have grown throughout the period following his death, and today have reached a climax? In short, I would say that the development of the situation in our country shows that a full 2 decades of struggle for changes in the social structure, attempts to change relations toward a true realization of socialist self-management, of 2 decades of constantly giving up, which in fact meant the victory of that part of society that lives from other people's work over the part of society that produces a surplus, all this has brought us to the point where no one can any longer make a decision on behalf of a class to postone the struggle for some other time. The proof of this is the culmination of our political crisis. In the very center of the crisis of political relations in the country is the struggle over whether Yugoslavia will continue the path symbolized by Tito. This means, whether it will follow the wisdom, knowledge, and memory of a movement that feels the laws and pulse of history, reminding itself that the Communist Party of Yugoslavia and the LCY, led by Tito, resolved all the crucial moments in the more recent history by critically understanding the previous period, discovering new paths in the development of democratization of society, and building the foundations of the communist movement among the masses of the people. It was capable of understanding the needs of tomorrow as well, placing before itself ever more difficult and new tasks, and taking the necessary steps of struggle in order to successfully implement them. This is why the struggle for Tito's path is in fact a struggle for a freer and richer life for people. Attacks on Tito are in fact attacks on his path which was always above all the path of the workers movement.

The other area for challenging and destroying Tito's policy, which in fact also represents an obstruction and a manipulation of self-management, is the area of national equality, brotherhood, and unity. Instead of a policy of workers' internationalism, the forces in our society today which are handling the surplus value and those who are living off other people's work are increasingly—and increasingly openly—putting forward nationalist platforms; and they are not only putting them forward, but, to a large extent, practicing them. They are entrenching themselves in the nation and the national state, and they see Yugoslavia from the viewpoint of whether they need it, whether it is essential for the interests of their own nation and its state, or whether it is in fact a burden and a brake. Etatist-bureaucratic nationalism, in league with petty bourgeois nationalism of the middle strata, is pressurizing, isolating, and forcibly homogenizing our nations; isolating them from Yugoslavia and the world and thus pushing them into the past and renewing the myths and figures of past days. This was first manifested along anti-Tito lines in the seventies and it broke out in its most crude, arrogant, and primitive form in the counterrevolution by Albanian separatists in 1981. We could say that in Kosovo, instead of national equality is has brought fascist slogans and attempts to achieve an ethnically pure Kosovo.

Abandoning Tito's policy of self-management and introducing some other policy could lead, let us say, to neo-Stalinism, national-state socialism, totalitarian populism, or something similar.

Taking advantage of the situation that has arisen and seeing their chance, all our nationalisms, by acusing Tito, have begun a battle to break up Yugoslavia. Unfortunately, the LCY has opened itself up to these tendencies as well, wherever it has placed the national issue in the foreground and forgotten about the class issue. And it is precisely the accusations against Tito's allegedly mistaken policy in the national issue which best show that Tito was a special kind of barrier against activity by nationalist forces. Well there we are, because of this and for these reasons today as never before we must not only defend Tito but continue his policy, because Yugoslavia and socialism cannot survive in Yugoslavia if they do not adhere to Tito's policy.

It has been clear to everyone ever since it was founded that the Yugoslav People's Army [YPA] is a force for the preservation of Yugoslavia from external enemies, a guarantor of the country's integrity, of the constitutional system of the power of the working class, of national equality, the guardian and protector of the achievements of the national liberation struggle. Today it is a strong factor for technological and scientific progress in the country, a concentrated place for technical and natural scientific expertise that can and must be an important support in the economic reform.

For this reason it is not surprising that the forces for the destruction of Yugoslavia are attacking the YPA, hoping to prevent democratization in the country and to destroy the present system. These forces are attacking everyone who stands for an all-Yugoslav and socialist orientation. In the case of the YPA they are resorting to the armed liquidation of people, to pamphlets and lies, or even calls for a state of emergency. Rejecting such attempts with dignity and resolve, the YPA not only remains united in the defense of Yugoslavia, but clearly lets it be known that it is not and will not be any sort of burden on society, but that it will continue to be a factor for democratic socialist changes. And this is what it is because the YPA has always shared, continues to share, and will always share the destiny of our working class, our nations, and our nationalities.

We all know, see, and feel that, as never before in the new Yugoslavia, nationalisms are present on our social scene, that they are acting for the destruction, breaking up, redesigning of our country, that they have also penetrated into the LC, that they wish to break it into national parts and ultimately into nationalist parties, that they wish to render it completely incapable as a cohesive political and ideological force of the working class and the nations and nationalities of Yugoslavia.

Nationalism shall not pass. They shall not succeed in their intrigues for the liquidation of Tito's Yugoslavia. They will not succeed in removing the LCY from the historical stage. They will not succeed in their plans to create some other Yugoslavia, whether it is a centralized and unitarist country where one nation prevails or a coalition of several nations, or a loose confederation in which everyone lives only in his own provincial national reservation; nor will they succeed in forming five, six, or fewer small quarrelling states on the ashes of Yugoslavia.

All nations and nationalities of this socialist, Tito's and AVNOJ's [Anti-Fascist Council of the National Liberation of Yugoslavia] Yugoslavia wish to preserve it; only in it can they see their future and have in their ranks forces which are stronger than nationalist ones. Finally, there is the historical memory of the masses, regardless of national affiliation which is an unbreachable dam against every and all nationalist platforms and conspiracies.

Each of our republics must be strong, but only on condition that it does not weaken Yugoslavia.

Every national interest is natural and legitimate only on condition that it does not destroy the equality, brotherhood, and unity of our nations and nationalities.

The borders of Yugoslavia cannot be changed, and all our nations and nationalities would act to defend the territorial integrity of our country.

Neither can there be any redrawing of the borders within Yugoslavia, not borders which divide, but those which sanction national self-determination as an achievement of the united socialist revolution of our nations and nationalities.

Not one of our nations, not one of our nationalities can be contested or forcibly assimilated, without all of them being threatened.

The SR of Serbia must have the influence of a state on the whole of its territory, but neither can there be an annulment of the autonomy of Kosovo and Vojvodina, which are also achievements of the national liberation struggle and are guaranteed by the SFRY Constitution.

The nations in this country cannot be separated when it is a question of their rights and identity into larger and smaller ones, older and younger ones, deserving and less deserving, progressive and more backward, freedom-loving and subversive, tenants and subtenants in our common house.

We must, through all the transformations of society which we are opting for, break up the national-bureaucratic political monopolies, which are disuniting the nations and nationalities of socialist and federal, and not just any or any kind of Yugoslavia.

A united market, the free movement of people, a free circulation of resources, ideas, information, and a mixing of cultures, these are the most important conditions for a Yugoslavia united in the differences which we must fight for to the end.

And finally, let me say something about ourselves, about all who are in political posts.

The society of socialist self-management must affirm itself as a responsible society, which respects historical, economic, and legal laws. Hence the establishment of responsibility in such a society must be a normal and regular phenomenon. We should not fear this but on the contrary, request that the nations, the people, and the socialist public democratically establish the responsibility of all those who, by their lack of knowledge, idleness, incompetence, greed, corruption, and bureaucratism led to the difficult situations in work organizations, and institutions, and organizations of the system, and finally in the whole of society.

We have nothing to support them on in this. This Central Committee must call on the working class to take this class action. Everyone who is in a position of responsibility from the factory to this Central Committee is obliged to submit evidence of his achievements and failings to the working class. And this we shall do in a democratic and well-reasoned way for each member of this Central Committee.

I am not saying this so that we can obtain help from the workers now, until we extract ourselves from this situation, but so that this call to class action might be the most important part not only of cadre renewal but also of the democratic renewal of socialism. Since the very victory of the revolution, in whatever country of socialism including this one of ours, bureaucracy has worked to destroy the workers' movement and place the intelligentsia in a position which serves to help it keep power.

Without the independence of the free workers' movement, which will be strategically directed by the LCY, with which the intelligentsia, as a part of it will coalesce—the organic intelligentsia of the class—socialism has no future except as a society of compulsion, an anti-intellectual and nonworking society, dull and closed.

Stalin asserted that "cadres resolve everything"—in other words, not people, citizens and each person—through democratic elections and with the assistance of a legal system, because cadres are special people. And as a result he replaced cadres and brought cadres into office, organized trials, sent people to Siberia and shot people who carried out the October Revolution. In our country too there are tendencies for the slogan to prevail: The leaders are to blame for everything, absolutely everything regardless of order, knowledge, and respect. All are corrupt, thieves, even traitors, apart from some, who in the climate of the general crisis shift responsibility from themselves and seek to blame others. In this situation decent and moral people are often insulted and affected; they hand in their resignations, depart for fear that they might halt the disorder which would brush aside all people and institutions of democracy. This is not the way toward a responsible society and we must reject this tendency most resolutely.

On Unity in the Central Committee and Democratic Centralism [subhead]

Following the debate in the LCY just prior to this session and analyzing the demands which are being made before us, we came to the conclusion that in all environments without exception the unambiguous message to the Central Committee is: **We must achieve unity**. This demand is an expression of the great concern of LC members and citizens of the SFRY for the future of the country, and of the feeling that if we continue with the current bad politicization of everything, without orientating ourselves toward development, better work, greater and better quality production of material and intellectual goods, and the creative life of people, instead of exposing them to poverty below the existential minimum, we will face many difficult days and much greater trials. We are all confronted in this country with an alternative: Either all of us get out of the crisis together or all of us are ruined together. All people with common sense in this country know that ruthless confrontation, mass demonstrations in the streets, and the disputing of all the institutions of the system does not lead us anywhere.

I will draw attention to the fact that replies to the question of what LCY Central Committee unity is are very different and this is the first thing which we must clarify.

It is not possible to stimulate and maintain unity in our Central Committee in a way that each person a priori and as the only thing which is possible, represents what, for example, is agreed in "his" republican or provincial committee, sometimes in an ultimatum-like mood: Either it will be imposed on the whole of Yugoslavia by gentle persuasion or force, or the LCY Central Committee itself and its political-executive organ will be accused of disunity and incompetence! As if people come here with the aim of achieving victories or defeats and not to exchange views, listen to arguments, and in a debate create a united stance which we will implement without vacillation and delay. This or that republican or provincial committee cannot be united without unity being established or achieved in this Central Committee as well. Either these committees are also disunited or else they introduce disunity into this Central Committee.

Recently it is more frequently suggested that the LCY Central Committee does not exist or that our existence is recognized only in our being asked to call to order and move "those others," and thus align ourselves on the side of the ostensibly healthy or even ostensibly democratic forces. Thus, our public sessions are not democratic achievement, which is a necessary and indeed very favorable instrument for shaping Yugoslav public opinion but, on the contrary, are a means of discrediting those who in the debate had different views and alternate ideas and proposals, as if no one is interested in whether the stances are adopted on the basis of unity or whether they are implemented.

If we continue this practice in the LCY and if the existing relations between republican and provincial leaderships and the LCY Central Committee are not changed, we will find ourselves in a situation where after every session of the Central Committee a large or small number of members of this Central Committee will be criticized by name and condemned just because they said this or that at the session, because they were thinking out loud and so said something which did not please absolutely everyone. The final outcome could be, let us say, that one man or a narrow group would decide who would remain in the Central Committee and who would be accepted into it, and all the others would then take their written discussions in advance to be checked. We, therefore, do not want such a unity.

We have not accepted and we do not accept differentiation on the basis of bureaucratic games, but rather on the basis of a strategy and program of hope for this country. In this respect, we are not responsible to any kind of national bureaucracies, but to the working class of all Yugoslavia, which calls for all those who are incapable and compromised to leave and for a future to be ensured for this society.

Where does the strength and future of Yugoslavia lie?

There are still many bureaucratic minds in the LCY. And those minds consider that the whole secret of our existing situation lies in the fact that one or several leaderships are no good, that leaderships can do everything if they want to, that with a monolithic leadership and the obedience of the whole of the political apparatus as well as, let us say, its technical modernization, the political crisis can be overcome. The insistence on set time periods and tasking people with implementing tasks is certainly important for an organized movement. But here today it is not just a question of daily or more or less operational tasks, but of historical trials for our country and of maintaining and further developing socialism in it. The tasks of overcoming these trials can be assumed

and carried out by the basic productive class and all creative forces in society, the equal nations and nationalities, human masses organized in institutions of the system which do not hinder them but rather serve them, as a framework for initiative and action. The role of these social forces cannot be undertaken by any bureaucracy, even if it is super-organized. to this extent, it is also a question of other set time periods, which are implicit for deeper social changes and transformations.

In this respect I would note that if we fail to do something today which social reality demands, we will not succeed in making up for it, perhaps for decades. So if we have ever sought guidance for our actions in Tito's thought, if we are all equally duty-bound to preserve and continue all that is profound, progressive, and humane which the revolution initiated in this country, then today and tomorrow we will bear in mind Tito's words at the 11th LCY Congress—the last one in which he, Kardelj, and some other great people of the revolution took part—concerning where Yugoslavia's strength lies. It lies: in the unity and awareness of its nations and nationalities that this unity is the condition not just for prosperity but for bare existence, in the ideas which inspire us and in the aims for which we are fighting, in the working-class and in its decisive role in society, in our younger generation which knows that behind it there is a longer period of work and life in freedom in peace than behind any previous generation on this soil, in the system of socialist self-management which ensures that the Yugoslav citizen decides freely about his work and its results, in the broad front of organized socialist forces, led by the LC, which is capable of illuminating paths and perspectives for further development, in all-people's defense whose striking power is made up of the Yugoslav People's Army, in our independence and nonaligned policy, in the high standing of socialist and nonaligned Yugoslavia and its many friends around the world.

Yes, truly the strength of Yugoslavia lies in the people of work and creativity, in its working-class, which in these months and days has shown three of its vital characteristics as a class which is prepared and capable of being the leading class of society: it has shown that it will not permit the continued survival of the bureaucratized system of power and a policy which takes from it the ability not just for simple economic reproduction but for reproduction in life also; it has called for more socialism and has demonstrated that it will no longer be an object for exploitation and a means of perpetuating ineffective power; as opposed to the petty bourgeois strata whose response to this crisis is not to seek more socialism but rather, let us say, to seek more national hatred, chauvinism, and elemental forces, it has shown taht it will no longer permit anyone who is incapable, an opportunist, who steals and enriches himself at the expense of social property, to remain in a position of leadership. Recent events have shown that the workers are not calling for everyone to resign and for the leaderships of the country, the republics, the provinces, the municipalities to be decapitated, or for provoking a state of rioting, anarchy, national or any other disenfranchisement. The workers are even calling for the return to their posts of those honest individuals who in recent days, precisely because they are honest and morally clean, emotionally submitted their resignations. At the same time the workers declare that they will not relinquish their demands that all those who must go should go. And for this, with justification, they no longer give a long time limit.

In recent days something else very important has happened: The workers have regretted that for a moment they allowed enemies and chauvinists to try to manipulate their demands. They have warned that they themselves will chase them from their ranks, that they will be the best police force of our socialist system if anyone tries fundamentally to change it and destroy it.

In the forthcoming wave of changes, Yugoslavia's strength will also be in the creative intelligentsia, which is also for the most part treated as unproductive, as a consumer, almost as a parasitic category. And we will have to radically change this mercenary position of its relationship.

Yugoslavia's strength is also in the vast number of our workers and intellectuals around the world who we will invite to return when the reforms start sweeping through and creating a favorable climate and possibilites, so that they can invest their knowledge and resources here, so that they can affirm themselves creatively here, and live off their work.

By the reform of our economic and political system we must remove all dogmas and prejudices, some of which have cost us dearly. I see the greatest chance as being in the creation of an economic system which will unite Yugoslavia and integrate it from below, which will value everyone's work and successes objectively, which will enable the successful to succeed and the incapable and the shirkers to fall to their ruin. A great chance for the development of the country in new conditions is also the opening of borders for joint investments, which for us are far better than the current policy of taking credits and paying interest for production which at the moment is often not suitable. We will then not be forced to make products which those same creditors do not wish to buy.

In recent days we have been told that for us the way out is a special kind of "new deal." And we must think about this and see what we should do and decide whether we should do it; and so we can enter into greater undertakings in the building of roads, hydro-reclamation, the building of infrastructure for tourism, facilities for tourism, and everything else which will be in our interests and those of Europe.

Following the development of the world economy at the end of the 20th century we will have to work on creating a postindustrial economic structure which will be integrated into the European and world economy.

A new force for advance and change must and will be not just a reformed LC but trade union organizations, SAWP, and youth organizations which will also have to define their new projects and new roles in the changes which are coming.

And finally, strength lies particularly in the LC itself, which by its 14th congress will have already cut deep into the fabric of its own powerlessness and freed itself of all those who make it powerless. It will be transformed into a communist movement which has an ear for everything which is new and progressive.

Yugoslavia's contribution to a world of peace, the Nonaligned Movement which we, together with other countries founded 3 decades ago, is respected today as is shown by the recent demand of the nonaligned countries that Yugoslavia lead the Nonaligned Movement today.

The whole world and both blocs have finally come to the point, it seems, where the struggle for peace has actually pushed the race for war into the background. Why have the nonaligned countries of the world called for Yugoslavia, as a European country, precisely at this stage of the struggle for a new world to be the presiding country? The halting of the arms race means that the struggle for influence in the world will increasingly be waged by economic rather than by warring means, that billions of dollars of surplus value which are destroyed in the production of missiles and other means of destruction will be shifted in another direction, if the strong capitalist economy does not wish to halt the process of accumulation; and this means the investment of this surplus in areas and in countries where there is a high accumulation of capital, where the potentials for using the work force and for spending are not exhausted. For Yugoslavia this process opens up three great chances.

In cooperation with all progressive forces of the world which advocate a new international economic order, we must make more energetic use of the more favorable international situation to speed up these changes. Awareness of the need for a new international economic order has not come to maturity only in countries which, like ours, are paying heavily for the defects of the current world economic system, but also among the wider public of developed countries and in world financial circles. Precisely in the current escalation of our economic crisis we see that Europe, or at least its progressive part, is prepared to give us additional help. We are grateful to all our friends and comrades in Europe who call for Yugoslavia to receive more favorable treatment in economic cooperation, trade, and access to markets of individual countries and regional markets. This is in our mutual interest.

Our more resolute opening up to Europe and the greater integration of our economy into contemporary European trends of economic activity and development are not just necessary for us, but for Europe as well. Such an orientation can make the restructuring of the economy easier for us and can help us to pull ourselves out of autarchic development, which within the borders of our country is causing economic boundaries, irrational investments, great technological dependence, the fragmentation of technological solutions and systems, and so on. we can go out into the world together only with united and common plans and programs for production and export.

In short, we must remain and be a country with a recognizable identity of a rich socialism, a European level of development and with the world mission of nonalignment.

Comrades! The LCY Central Committee Presidium in close cooperation with the presidiums of the central and provincial committees and the Committee of the LCY Organization in the Yugoslav People's Army, has adopted a proposal of immediate tasks and LC activities in the overcoming of the unfavorable political, economic, and social situation in the country, which the Central Committee should discuss at this session. I have not reduced this introductory report to a commentary on this proposal, but I believe that what I have just said fully corresponds with what is being requested and proposed in this proposal.

When we discuss the proposal, it should be kept in mind, precisely that it was not prepared by the LCY Central Committee Presidium alone but that all the presidiums of the central and provincial committees and the Committee of the LC Organization in the Yugoslav People's Army on two occasions discussed its content and provided addenda and made observations. Also, with its publication the proposal has been placed before the public for it to get acquainted with and comment on it. Over the last few days all the central committees and the Kosovo LC Provincial Committee have discussed it, giving their support to the LCY Central Committee to adopt these tasks and achieve the unity and mobility of all the membership and all organizations and organs of the LCY for their consistent implementation. Only if every LC organization and each LC member is active can we change the existing situation more decisively and open up prospects for the more rapid social and material development of society. In the LC and society there are sufficient forces, counsciousness, and possibilities for us to persist along these lines.

LCY Plenum Debate Continues

LD1710202588 Belgrade TANJUG in English 1353 GMT 17 Oct 88

[Text] Belgrade, Oct 17 (TANJUG)—Yugoslavia can only exist as a true federation or else not exist at all, said federal secretary for defence, Colonel-General Veljko Kadijevic at the 17th Plenum of the League of Communists of Yugoslavia (LCY) Central Committee today.

Speaking in a debate after LCY Presidency President Stipe Suvar completed reading his introductory report on the immediate tasks of the LCY in surmounting the

adverse economic, political and social situation in the country, Kadijevic said that Yugoslavia's federative system has no alternative in either unitarist or confederate systems.

The equality of the nations and nationalities is the basic condition of Yugoslavia's existence and nobody in Yugoslavia can be privileged, regardless of size or economic strength, underlined Kadijevic.

Presenting the stands of the Communists in the army, Kadijevic said that two processes with diametrically opposed goals are under way in Yugoslavia—one is directed at overcoming the crisis through the announced reforms and the other at destroying Yugoslavia.

Urging an immediate onset of the reforms, Kadijevic said that political measures, but all other legal means as well, should be used to stop the forces of destruction.

The federal defence secretary rejected two theses on the role of the army—the first stating that the Yugoslav People's Army should have a special role in resolving the crisis and should take over power by coup, and the second according to which the command cadre should be excluded from political life and confined to the barracks.

Noting that the destructive attacks on the Yugoslav People's Army are a result of negative attitudes towards Yugoslavia as a federative community, Kadijevic underlined that the character of the army is popular, Yugoslav and revolutionary. [transmission interrupted; TANJUG part three not received]

Milan Kucan urged, on behalf of Slovenia's Communists, that the LCY Central Committee plenum reject all calls for early elections and a special party congress, in view of the (?fact) that the LCY conference held in the spring had adopted a platform which insists on three reforms—political and economic reforms and a reform of the LCY.

If we are to make changes in the leaderships, we must first see on the basis of which platform, criteria and tasks to be performed we are to do so, if we are to avoid ending up with an even worse central committee as a result of the current balance of forces, Kucan said.

Kucan underscored that only those constitutional changes on which all the republics and provinces had agreed be adopted, since "nobody had united in Yugoslavia in order to have his sovereignty, freedom and equality limited, but had done so in order lastingly to ensure them".

Jakov Lazaroski, LC of Macedonia Presidency president, set out that it was the most important to put an end to the unprincipled differences within the LCY and above all within the party leaderships, as the existing differences blocked the implementation of the LC policy and undermined the [words indistinct].

Bogdan Trifunovic (Serbia) said that the greatest responsibility for the deterioration of the situation in Kosovo rested with the current Provincial Committee of the LC of Kosovo and its Presidency and urged that the individual responsibility of Kosovo officials be determined.

Trifunovic said that the Kosovo leadership often came into conflict with the leadership of Serbia, trying to act independently of the LC of Serbia, although it was its integral part under the statute.

Adem Krasnic (Kosovo) warned that the solution of the problems in Kosovo was hindered also by some negative tendencies, including rallies featuring extremist slogans and the taking to task of individuals "who fought against Albanian nationalism".

Criticizing the committee for rallies of solidarity with Kosovo Serbs and Montenegrins, Krasnic said the committee had work in close connection with the leadership of Serbia.

Nikola Jovanovic (Serbia) retorted, setting out that at the core of the problem in Kosovo was the fact that separatism was present in a part of the Kosovo leadership, a leadership which he said failed energetically to reckon with Albanian chauvinists. Jovanovic said that ethnic Albanians in Kosovo did not take part in the battle against Albanian chauvinists and separatists in larger numbers out of fear, as was shown by the recent attacks on Albanian pupils who had sided with Serbs and Montenegrins.

Jovanovic called on the LCY Central Committee session to determine the responsibility of the Kosovo leadership and show firmness in so doing.

Bosko Kovacevic (Vojvodina) said that the Vojvodina provincial leadership was toppled recently because it had failed to grasp the current trends and popular demands and the fact that Vojvodina's place was in the Socialist Republic of Serbia.

Franc Setinc (Slovenia), who recently resigned the post of Central Committee Presidency member, criticised the rallies of solidarity with Kosovo Serbs and Montenegrins because the rallies senselessly manipulate the dissatisfaction of the people, he said and added that calls to arms and rumors of a strong state without republics and provinces were heard at them.

Setinc considers that a united front of Albanians, Serbs and Montenegrins should be formed in Kosovo and the activities prevented of Serbian nationalists [who] make empty promises and are harmful for them (Serbs and Montenegrins).

Setinc urged a democratic path of overcoming the political and economic crisis in Yugoslavia and underscored that "a new Tito should not be sought".

Federal Premier Branko Mikulic said the economic crisis in Yugoslavia was two and a half decades old and that 11 years ago, the 11th LCY Congress pointed out the need for an analysis of the functioning of the political system in the country.

Nothing has been done so far to resolve the two problems and we have now come to a situation where great economic decisions are taken in centers of statist and political power, and the price of failures is paid by the people, Mikulic said.

Speaking about the Kosovo problem, Mikulic said that evil must be opposed with a much more united and effective political action, the more so since we are witnesses to an unprecedented flood of right, bourgeois thought which is trying to bring Tito and his work to question.

Mikulic defended (?his government's) so-called May measures which were aimed at lowering inflation, and said their success would depend on whether the constitutional amendments are adopted on time.

Marko Orlandic disagreed with Mikulic. He underscored that the May measures had yielded very unfavorable results so far. The annual inflation rate stands at 217 percent (the rate targetted for the end of this year was 95 percent) while real incomes dropped by nine percent compared to last year because of which Orlandic said he feared grave social and economic consequences.

That does not mean that the measures are wrong and that we are bringing them to question but it is necessary to see what is missing to preserve the reform course, Orlandic said.

Kucan Speech at Session

AU1710160488 Belgrade Domestic Service in Serbo-Croatian 1252 GMT 17 Oct 88

[Speech by Milan Kucan, president of the Central Committee Presidium of the LC Of Slovenia, at the 17th LCY Central Committee session in Belgrade on 17 October—recorded]

[Text] Comrades, the questions that are on the agenda of this session today were chosen by the LC Central Committee of Slovenia several days ago, aware of its responsibility for the unity of this Central Committee and the LCY, just as was done by the other central and provincial committees at their sessions held recently. (?It also) supported the draft conclusions for the 17th session, being of the opinion that these are those very questions that we must agree upon, because it is on them that the unity of thought and action of Yugoslav Communists depends, the unity necessary for the success in the confrontation with the crisis carried out on the political platform of the LCY Conference.

The orientations of the LC Central Committee of Slovenia are an expression of the belief that they are not only in the interest of the workers class and the Slovene people, but also in the interest of all other peoples and nationalities in our socialist federal community in general. This is testified to by a large number of letters of support along with the demand that these stances should be insisted upon and that unity on them should be demanded.

Therefore, I support the introductory speech and think that we must demand unity on its basic stances—unity that is demanded from us by the party and public—and that it is on this platform that one can seek a way out from this dramatic situation. This is a synthetic and affirmative view of this situation and of the possible ways out. It is in conformity with the orientations of the LCY Conference and we could use the stances of this speech and the stances of the 17th session in order to gain the initiative that we lack.

It is a synthetic expression of all our debates in Slovenia that they see the key problem in the lack of initiative in society, including the initiative of the LC. This is not an integrational factor of the reform (?coalition), and the consequences of this fact are obvious.

We have been confronted with the mass expressions of the people's discontent. This is one of the two essential characteristics of the situation in society. This is the people's discontent with their personal, social, and human position, because their basic rights are being threatened—the right to life and to work. They are discontented with their national and economic position. This discontent is accompanied by a feeling of danger and fear as to where this is going to end and whether there is reason, whether the destruction of all kinds can be ended and that reason can prevail.

How could young people who realize the complete seriousness of the situation and the danger that old people, we old people, could irreparably destroy the world for them—the world that will belong to them soon—agree on such a call on reason, and we cannot? The consequences are the many apprehensions and fears even about the joint life in a country that represents a sad and ugly picture, completely opposite to what is happening in the modern world. This world is moving farther and farther from us, and in that world's eyes, in press commentaries, we are more and more a world anachronism and absurdity. World businessmen, their capital, partners are avoiding us more and more. They are afraid of entering trade and other arrangements with us and are interrupting our relations. As far as I could follow it, much was said about that at the session of the LC Central Committee of Montenegro and at ours too. Reports on this which are coming from our economy are a most worrying warning that one must be reasonable. We should be aware of the consequences.

There are more and more frequent thoughts—not only in Slovenia—of the kind: What are we doing in this country? We must have found ourselves here through a big historical mistake. What can we pit against such convincing facts of the cruel truths of life. Our people can very easily see for themselves that a different, more secure, and optimistic world is possible and that it exists the moment they cross the border.

Our mistake is that we refuse to see that this situation has broached an all-Yugoslav debate. As I have already said, we have no initiative in this, with regard to, among other things, the three cardinal questions for our community. One is the national question—its most drastic expression being the tragic reality of Kosovo. The second is the meaning, form, content, and relations of joint life which was, in my opinion, fully pointed by [word indistinct] debate which more than ever before pushed to the foreground the question of what kind of Yugoslavia there should be. And the third will be the essence and character of socialism through strikes and many other social tremors and tensions, in which even the rich socialism that we dream about seems to be a pure illusion, particularly when ration cards and workers' bread are contrasted with it. In this situation, the worker is far from managing his work and society, and becomes a member of the proletariat again.

Our people will not be reconciled to this. This is manifested in all the letters sent to us from organizations of associated labor. They will not agree to merely subsist, and demand that we deal with questions of development, questions of technological and other types of development and restructuring.

Our chance and responsibility lie right here—to direct this huge discontent, this huge social energy toward a further, deeper and far-reaching change in the situation and relations, as was written in Stipe's report.

However, we must recognize the legitimacy of this debate. It is a part of the (?development) strategy of our country. Otherwise, the lack of answers or wrong answers are going to destroy our country. (?The only thing left to us will be) the chaotic political alternative, with sterile stereotypes that we are united by ethnic closeness, a common revolutionary past, history, and so on.

The political scene in Slovenia or Serbia is—irrespective of all the essential specific features of the two—a (?simple) alternative to such a way of answering these questions. Let us clearly tell both Communists and the public: We are, above all, united in our resoluteness to create in this territory a socialism that is rich in a material and spiritual sense, a socialism that ensures a free and democratic life, and the equality of men and peoples, whatever one calls it: the democratic alternative of socialist self-management, socialism to suit man, or such like. In this respect, the report certainly represents a great encouragement.

Let us say clearly that we are unsuccessful precisely in building up such a kind of socialism, that our thoughts and action have stopped because of dogmatism, and that, from being a basic integrational lever, socialism has turned into a factor of disintegration. And its strength, which is (?measured) by human interests, cannot be replaced by other factors—ethical or historical—or those factors with attributes and ambitions of a supranational and general-Yugoslav nature in a way that negates the national aspect.

The unclear things in this respect strengthen the theses about one state, one flag, one (?stance), one constitution, one language, not to mention more. On the other hand, nationalism and separatism strengthen, with all their destructive consequences.

The other important characteristic of this situation is that we lack initiative. This is particularly the case with those questions that are the reason for the existing mass discontent. As an answer to this discontent we offer populism, social and national demagoguery, and national myths. The crisis in the movement's ability to develop the visions and modern concepts of socialism, to smash the fetters of its own bureaucratism and dogmatism is obvious.

And the world has a completely different answer to this. Thirteen of 14 countries with Communists in power have been working and doing their best in order to avoid the abyss of real socialism. Many of them are not so very much braver than we are. And it was not very long ago that we led in opening up these visions within the communist movement. I am deeply convinced that anticommunism and antisocialism—although I do not deny their danger—will not destroy our socialist society, but that lack of initiative and of the mobilization of creative powers for the courageous opening up of further visions that are acceptable to people can certainly do that. While we are either silent about this or are discussing whether socialism is a painstaking road from capitalism to capitalism, people—indignant at their specific position—will rebel against this society even if we call it socialist, because they know very well that in many important points it is not true today. For the time being, I shall leave aside the question already pointed out by Veljko Kadijevic of whether socialism today can be the only alternative to capitalism. It is not good if we (?made our movement guilty) and it may be good if we turned the [word indistinct] meeting into a serious debate on these questions.

I hope it is clear what one has to do in this situation: to try to take the initiative, to start action, to provide answers, to mobilize intellects, of which we have enough—whenever we did serious work, that was fruitful, such as in Kraigher's commission, now Mikulic's commission—and to create room for criticism and different opinions, as well as to mobilize people, and thus try to resume the much-undermined confidence.

I am deeply convinced that we can still do so. We have the LCY Conference and the strategy called the three reforms, we received support for this from the party and the people, and the power to implement it. One should take the conference as the platform of initiative, unity, differentiation, and the removal of differences. We ourselves must say why we fail to set off more bravely. Various answers, including the following, are possible: We refuse to recognize or reconcile ourselves to the fact that the economic reform primarily represents a radical break with our concepts of socialism, as well as with our concepts of the LCY's role and thereby also with our own position in the distribution of social power, or we refuse to understand or reconcile ourselves to the fact that precisely this is perhaps even more so a political reform, that this in fact amounts to disowning the state and party to the advantage of their constitutional elements, the working people and citizens, that this in fact amounts to creating a legal state.

The first question of reform is obviously precisely a reform of the party and thereby also a reform of our own position in society, a position that we do not want changed; and it is because of this that the process of the reform has been halted or at least slowed down. Because we do not have an answer to the question of what the federalization of the LCY is—this is a question which the session of the Central Committee of the LC of Bosnia-Hercegovina very categorically pointed out—and thus, in the absence of arguments, this becomes a mere phrase, a means of demoting and discrediting people by which attempts are made to defend the existing state of affairs and the lack of initiative even in the highest LCY leadership, whereas, instead of this, the grounds on which the differences appear should be seriously analyzed. This becomes an alibi for the fact that no essential changes are made in the role of the LCY and in the relations within it.

No answer is possible in this respect without at least two other questions beforehand. One, an answer to the question of how the LCY should be separated from the power of the state, from concrete decisionmaking at all levels, up to and including the federation, and of how decisions must be left to the legitimate institutions of the system, including primarily the assemblies. And two, the question of how such an LCY should be oriented to the strategic questions of society's development, that is, the questions that are common to all and which are at the level of the [indistinct word] system and have been jointly determined as such by the SFRY Constitution. With respect to these questions, the LCY must be much more united than is the case today. And this unity must be expressed by each of its parts, with a much greater responsibility for consistently implementing these united orientations in their specific conditions in the individual republics and provinces. Differences with respect to other questions should not be an obstacle, and this should not be called federalization. This country can live with these differences and we must learn to live with them.

It is precisely our undefined and undetermined view and position with regard to the increasingly frequent invoking of emergency measures or a state of emergency, and our position in this connection [as heard] which show to what extent the role of the LCY represents a central and significant question for the reform. It is certain that we cannot introduce reforms by any emergency measures and a state of emergency, because reforms represent precisely a means of eliminating the causes on which a state of emergency may develop in the country. For this reason, I propose that the LCY Central Committee should not accept any contemplations of this kind, especially when such contemplations originate in the LC ranks and leaderships, including the highest leaderships. This is happening as if the most important thing in this situation were how elegantly we can introduce a state of emergency and suspend the legitimate system with emergency measures by invoking this state of emergency, whereas instead we should intensify our work to solve the cardinal social problems and thereby prevent the development of an emergency situation and the justification of the use of emergency measures. I am not in favor of using the state of emergency to justify our own inability or any aspirations to a bureaucratic restoration of the role of the LCY as a part of the bureaucratic counterrevolution and an attack on the reformist socialist coalition.

I am against this being our excuse for such tendencies.

A state of emergency for the LCY is already here. It is the greatest, harshest attack on Tito's work and thought. What I mean is a practice that is also tolerated by the LC in which the legitimate constitutional system, including the system of decisionmaking, is in fact supressed by an illegitimate system in which the party and its leaderships are very much involved. This is the greatest cause of the crisis—it is written down in all more serious analyses of the functioning of our system—linked, of course, to the problem of nonexistent and unidentified responsibility.

Another thing, I suggest, is the stance of our Central Committee, too: The LCY Central Committee should have a negative attitude toward all proposals for holding extraordinary congresses, extraordinary elections, and other similar gatherings. Here I obviously differ from Comrade Orlandic, although not completely.

In my opinion, in this situation this constitutes the creation of a political (?pretext) for introducing a state of emergency, instead of intensifying political and social action to develop and implement the political strategy of three reforms, and to engage society in general in this.

I want us to weigh, seriously and very carefully, what we would gain and what we would lose by this, but I would also like to hear real reasons and arguments. I still do not see any [word indistinct] need to go for that, particularly in the case of an LCY congress. At the conference we adopted the platform of three reforms. We all adopted it by acclamation. What interests me now is what reasons

may exist for radically changing this platform. Obviously, the moment one has to start implementing it, no platform is good for us. What other platform could there be which would still be socialist and self-managing, which would recognize our country's federal setup, and which would aim to help us join in what is happening in the modern world?

If the leaderships are changed, then that could be a reason—I am ready to accept that, of course. However, on what platform should this be done so that, in the present relations of forces, one does not get an even worse Central Committee or Presidium from that of which I am a member, and which is far from being good, me included.

New tasks and a new situation demand different people and a different profile. However, let us first define tasks clearly, turn that into a criterion of cadre renewal, and then renew our Central Committee and other leaderships at all levels of our organization. Finally, there is a question that I consider to be very important: How will the LCY Central Committee decide to assess the almost (?continuous) efforts to change the Constitution? Would it assess them as a political crisis? There already are such assessments, which are consistently based on the already tried but unfortunately inapplicable recipe of monolithism, justified by demands for the so-called new political unity, which unfortunately dissuades one from the need for a serious analysis of the real relations on which differences are based, and from the creative search for a synthesis. Or would it assess these efforts as a democratic achievement based on reason? In my opinion, only the latter is politically opportune, productive, and correct.

Much has been achieved. We have never had such a large [word indistinct] and mobilization of people and LC members, and never such a responsible attitude toward the criteria set at the 12th LCY session. One can claim with great certainty that what has been coordinated really has been coordinated, and that the necessary constitutional conditions to begin the reform have been achieved, because, in terms of their interests, orientations, and readiness, the majority of people stand behind the changes.

I proceed from the assumption that constitutional changes must strengthen and not weaken our community. Therefore, the Central Committee's assessment is important, because rational and principled solutions do exist: Let the constitutional changes encompass that upon which everybody agrees, that which has already ripened, and that which is an interest and a need of each and every person, in particular in our federal community. And let us leave for later those things about which we could not agree and which could only disunite us, until the conditions to discuss such questions arise.

An illusory unity is a source of permanent instability and blockage. Of course, everyone takes upon himself full responsibility for stances and orientations before his own people and before all the peoples and nationalities in Yugoslavia; he assumes responsibility for that for which he does not give his approval, and even more for that which should be imposed upon the others.

This certainly affects the unity of the country, its security, stability, and brotherhood. One must be reasonable here. These are not just horrible notions without actual material and economic content. What we need to do is to make an effort to the end, so that the Constitution is adopted in an atmosphere of complete mutual respect and consideration for the views and interests of others, responsibility for the future of the country, and as a result of a democratically expressed will of all the republics or provinces according to the procedure set by the Constitution, and in such a way that nobody is considered the one who destroys the country and the nationalist. Nobody should feel that one wishes to impose discipline by threats, on the understanding of the principled relations in the federation and the manner of their implementation or to [words indistinct].

Every effort should be made to examine thoroughly the responsibility of every assembly and to see whether strong enough arguments exist (?from the position of) consistent adherence to the foundations of the AVNOJ Yugoslavia and the common will to develop socialist self-managing society for insisting on their positions. Likewise, one should thoroughly and extensively examine the arguments of others.

In this respect we must proceed from the premise that our life in common should be regulated by reason and not emotions, and that it must be acceptable and (?attractive) to everybody. At all times one must keep in mind that nobody joined the SFRY in order to limit his freedom, equality, and sovereignty, but in order to ensure them lastingly. Everybody must do this with full responsibility toward his own nation and the workers class, as well as toward all other nations and their socialist republics.

Certainly recent events are leaving deep marks on the consciousness and political views and thinking, going as far as raising the question of whether we fell into this community through some historical error or not. The events nevertheless should not have an opposite effect either in leading toward making unprincipled concessions out of fear from the growing political violence or toward unprincipled and stubborn insistence or rejection.

I shall conclude by saying the following:

The positions of the SR of Slovenia have been checked several times in the Assembly of the SR of Slovenia, the SAWP, and other institutions. I do not assert that we offered more democratic opportunities for people to express their views than in other parts of the country, but certainly not less. There is no doubt that the positions of the assembly are an expression of the will and views of the majority of the people of our republic. I wish to stress

here that we did not make our decisions under the influence of the extreme nationalist aggravations that occurred and that are occurring, and which from the beginning wished to impose the view that constitutional changes are directed against the sovereignty of the Slovene people, and have denounced any different view in advance as betraying the interests of the people.

These aggravations (?go hand in hand with other extreme views) in other parts of the country and in some other (?strata) of our society to the effect that these are not the views of the Slovenes but of the alienated bureaucratic structure that has no support among the people—this is a very respected political (?assertion) at present—and that the authentic positions are not known at all, and are not presented even when one enters into direct polemics with them.

We have a democratic answer to either objection to the position of the Slovene assembly. This is the possibility of checking the final view of the Slovene Assembly through a referendum, and such a referendum will show the level to which the position of the assembly, and thus of the politicians, agrees with the will of the people.

We Communists are aware that a referendum—if the Slovene Assembly decides on one—will be an expression of the sovereignty of the Slovene people and its responsibility toward the socialist federal community of all our peoples and nationalities, and not a search for a confirmation of this sovereignty, and we are aware that we all may lose in this referendum, but we may also gain much; for it will be confirmation of the correctness of the political concept—a socialist and Yugoslav concept—of the socialist forces in Slovenia and an obligation to persist.

Ultimately this would form the political capital of the LC of Slovenia on the basis of which nobody should be able to dispute that the party represents the widest historic and specific interests of the Slovene people, not in an expansionist way at the expense of other peoples and nationalities in the SFRY as our common motherland.

We of course do not push this formula on anybody. Everybody should check his positions in his own way among his public and decide on the manner of checking the support among his people. In the dilemma of whether to bow under the pressure of forces that deny our legitimacy among our own people, and the pressure of demands for new political unity, monolithism, material and spiritual equalitarianism, dogmatism—in short, civilizational regression—or to remain consistent in our strivings for a renewal of Yugoslav society through the three reforms, we see a chance for this second view, the view in favor of reforms.

In the final consequence, this is for us a matter of choice between socialism to suit man and socialism to suit people. In this respect we decided at the Conference of the LC of Slovenia and we are convinced that the entire LCY made the same decision at its conference.

LCY Afternoon Debate

LD1710203488 Belgrade TANJUG in English 1905 GMT 17 Oct 88

[Text] Belgrade, October 17 (TANJUG)—League of Communists of Serbia Presidency President Slobodan Milosevic, speaking at the 17th Yugoslav party plenum today, categorically rejected all allegations of Serbian hegemony and the Serbian leadership's aspirations to create a greater Serbia.

Milosevic explicitly set out that Serbia had no territorial claims towards the other republics.

Without making a secret of the fact that the Republic of Serbia naturally expects the support of the entire country for its efforts to constitute itself constitutionally in a fashion which would enable it to restore its territorial, legal and administrative unity, the Serbian party leader asked who was to permit or forbid Serbia to make itself equal with the other Yugoslav republics. Milosevic recalled that the Serbian leadership's policy enjoyed popular support and that "the citizens of Serbia will not accept any tutors, especially not in matters relating to their legitimate rights".

Milosevic said that Yugoslavia and its unity were not threatened by Serbia's efforts to constitute itself as a republic and in that way more effectively resolve the problems of its economic development and immediately put an end to the longstanding counter-revolution of Albanian separatists and chauvinists in Kosovo. The country is threatened by a bureaucratized authority, by incapable leaderships and individuals, Milosevic assessed.

It is hypocritical to accuse Serbia of wanting to be superior for merely wanting to be equal (with the other republics), the Serbian party leader said. He underscored that the economic and political changes urged by the LC of Serbia were not detrimental to others or the country, as a whole. The basic reason why changes in Yugoslavia and, especially, in Serbia are opposed by some leaderships is the fear of losing personal positions, Milosevic set out.

The Serbian party leader said that the citizens of Serbia expected the current LCY Central Committee Plenum to mark the end of unproductive sessions, sessions which failed to check the possibly irreversible migration of Serbs and Montenegrins from Kosovo under pressure from Albanian separatists and chauvinists. The citizens of Serbia rightly expect the 17th party plenum to place on its agenda the question of the responsibility for the violations of human rights and freedoms in the Province of Kosovo, for the latest genocide in the 20th century, Milosevic specified.

Solidarity meetings with the Kosovo Serbs and Montenegrins are being held in protest against the incapability of existing institutions, organs and individuals to put a

stop to the terror in Kosovo. For this reason, Milosevic said, the condemnations of the rallies and attempts to ban them are inacceptable. Kosovo is not a cause of, but a consequence of the Yugoslav crisis, he set out.

The Serbian party chief said no-one in Serbia was demanding changes in the system or the country's commitment and the fact that the individuals who are being called to account by the people identify themselves with the system is a reflection of their self-delusion. For this reason he opposed attempts to defend such persons. According to Milosevic, those who want to stay in power regardless of their incapability obstruct social changes and seek special measures. Yugoslavia does not need special measures, but special efforts and achievements, he said.

Azem Vlasi, a high party official from Kosovo, urged the reaffirmation of action and political unity in settling problems in the province of Kosovo and called for the "Yugoslav truth [words indistinct] Kosovo.

Vlasi, a high party official from Kosovo, singled out as one of the reasons of the current unfavourable situation in Kosovo the pronounced doubting of the cadre in the province, the questioning of stands adopted at the 16th LCY CC session on Kosovo, instead of undertaking a joint action.

Vlasi criticized various "self-proclaimed protectors of the Kosovo Serbs and Montenegrins" who are acting as a parallel authority with the aim of "impeding the settlement of problems and breaking up Yugoslavia". They are staging campaigns against a large number of functionaries with the aim of ousting legal authorities and re-shaping Yugoslavia, Vlasi said.

Kadovan Radonjic of Montenegro, proposed that all LCY CC members who have been criticized, should publicly give argumented answers to the criticism or else bear consequences. He proposed that possibilities for shortening mandates, as well as the staging of direct secret elections, should be examined by the end of the year.

Dobrivoje Vidic said the failures in the country's internal development were the basic source of the negative publicity Yugoslavia was receiving, which he said was damaging to the country's international reputation.

The serious economic situation was a subject much discussed in this afternoon's debate. Borislav Srebric criticized the restrictive measures adopted this May by the government of Premier Branko Mikulic, and said the introduction of those measures prior to a reform of the economic system was a mistake. This once again proved that the current economic policy in Yugoslavia was inflationary and recessionist, Vidic said.

President of the Yugoslav trade unions Marjan Orozen called on the leaderships to stop being concerned about themselves only.

Orozen underscored that the long-lasting terror of the Albanian separatists over the Serb and Montenegrin population in Kosovo best shows what happens to a system which forgets economic and social laws, and what happens to a political organization when it alienates itself from the people. He demanded complete personnel changes in all executive bodies of the federation, including the LCY CC Presidency.

Representative of Yugoslavia's war veterans Metodij Kotevski, Macedonia, also urged that the LCY rid itself of those members, who mar its good reputation and because of whom the LCY is losing the trust of its membership and the people.

Gen. Nebojsa Tica sharply condemned the escalation of hostile activities against the Yugoslav Armed Forces in Kosovo. He said that in the 1981-1988 period, the number of ethnic Albanian members of the armed forces, who are active from the standpoint of Albanian chauvinism and separatism, increased 22-fold as compared to the previous eight-year period. In this period, 241 illegal groups were uncovered that included 1,600 members of the Yugoslav People's Army. According to Gen. Tica, these groups were engaged in preparations for violent terrorist actions, including armed rebellion.

Gen. Tica added that since 1981, members of the Yugoslav Armed Forces in Kosovo and members of their families had been the victims of physical attacks in 203 instances and were exposed to insults and provocations on 311 occasions. Disturbances of army units were registered on 80 occasions and 254 attacks on military facilities were recorded.

The mass migration of Serbs and Montenegrins from Kosovo has been reflected in the armed forces and many reserve army officers of Serbian and Montenegrin nationality have moved out. Many active officers have submitted applications for transfers.

Enemy activities against the Yugoslav People's Army and its members can no longer be tolerated, Gen. Tica said, stressing that the greatest responsibility for the situation in Kosovo lies with the leadership of Kosovo.

LCY CC member Milovan Popovic said that a clear political outcome must evolve at the 17th plenum, in order to finally open up the way for social reforms.

Popovic stated that the main anti-Titoist act was committed in halting the revolution and pushing the country into backwardness. For this reason, the attempt to charge the Serbian leadership with anti-Titoism constituted a

political manoeuvre, because the work of Yugoslavia's former president is defended, he said, by breaking the counter-revolution in Kosovo and through essential reforms.

Popovic charged the Yugoslav party's current president Dr Stipe Suvar with an uncomprehensible change of stand in his assessments of the political situation in Serbia. He recalled that Suvar at one time supported Serbian party Leader Slobodan Milosevic in the cadre changes in the republics top leadership. Suvar at that time rejected claims that the League of Communists of Serbia was "a prisoner of Serbian nationalism and reproached the provinces for closing up towards Serbia," Popovic stressed. He directly asked the party president how such a fast and sudden turnabout concerning the Serbian leadership's policy had come about.

Popovic called for an end to false political alliances and unprincipled compromises, and demanded that the plenum determine which members of the LCY CC and its presidency are responsible for the overall situation in the country. He blamed the Kosovo leadership for the grave situation in the province, urging that its responsibility should also be determined at the current LCY CC session.

Confidence Vote Expected

LD1810090288 Belgrade TANJUG Domestic Service in Serbo-Croatian 0814 GMT 18 Oct 88

[Text] Belgrade, 18 Oct (TANJUG)—The 17th session of the LCY Central Committee resumed in Belgrade's Sava Center this morning with a discussion on the immediate tasks and activities of the LCY to overcome the unfavorable political, economic, and social situation in the country.

According to the list of people wanting to speak, it is expected that about 40 members of the LCY Central Committee will speak today which, together with the 34 members who spoke yesterday, represents over one-half of the membership of this party forum.

As announced last night by Marko Orlandic, who was chairing the session, the Central Committee can be expected as early as today to take a secret vote on the Presidium confidence motion.

Limits Set on Speeches

LD1810094388 Belgrade TANJUG Domestic Service in Serbo-Croatian 0859 GMT 18 Oct 88

[Text] Belgrade, 18 Oct (TANJUG)—The LCY Central Committee Presidium suggested this morning that the discussion on the first item on the agenda of the 17th session be completed before noon so that the discussion on the remaining three items can be completed by the end of the day.

To achieve this, quoting Stefan Korosec's statement at the beginning of today's proceedings, the Presidium last night agreed that the [Central Committee] members permanently employed [in the Central Committee administration] and the executive secretaries who have not yet spoken should refrain from making discussion speeches. The same principle should be applied also to Presidium members, republican provincial committee presidents, and resigning members.

Public Sends Messages, Requests to LCY Plenum

LD1710203188 Belgrade TANJUG in English 1813 GMT 17 Oct 88

[Text] Belgrade, October 17 (TANJUG)—Today's plenum of the League of Communists of Yugoslavia that is discussing the party's tasks for overcoming the unfavourable economic, social and political situation in the country is taking place in an atmosphere of great expectations and attention of the Yugoslav public.

Yugoslavs are following the debate at the LCY CC session wherever possible—in their homes, in the streets, in buses, at their places of work—with great hope, but with apprehension as well. A videoscope recording of the debate was broadcast over television with two hours' delay. Some 60 speakers have applied to speak at the 17th LCY CC Plenum so far.

Only in the past few weeks, the LCY CC received 550 letters, messages and telegrams from all parts of the country demanding a decisive turn in the speedier resolving of the acute problems affecting the country. Appeals have been made to the CC to ensure an atmosphere for seeking a joint path out of the crisis in which reason and wisdom will prevail.

Today's reactions prior to the plenum opening show that expectations have been placed in the LCY and requests and demands made that an end be put to the divisions and clashes between the leaderships, that those who are to blame for the serious situation in the country be replaced and that concrete decisions be adopted on a unified platform for seeking a way out of the crisis. Workers from all over the country have sent messages demanding that the leadership keep step with the workers and that the avantgarde stop lagging behind the workers.

Some 400 Serbs and Montenegrins from Kosovo Polje, close to Pristina, today decided not to come to Belgrade. They held a rally from which they sent a message to the LCY CC stating that they consider the 17th plenum crucial for their survival in Kosovo. Stressing that it is not possible to break the counter-revolution without replacing the provincial officials, they threatened to collectively move out from Kosovo in case their expectations are not met.

The Titograd students showed a gesture of goodwill today by abandoning their boycott of the student canteen which they started on October 8 in protest against the police intervention at demonstrations in Titograd, capital of Montenegro. They persisted in their support to the workers and the demands for establishing who is responsible for the intervention, and expressed the conviction that the 17th LCY CC Plenum would adopt correct decisions of crucial importance for the country's fate.

Basic organizations and committees of the League of Communists have sent mesages to the Central Committee with demands that a stop be put to the [word indistinct] of the Kosovo Serbs and Montenegrins and that attacks on the work and personality of former Yugoslav President Josip Broz Tito be stopped.

Such perturbations, concern and expectations in the political atmosphere of Yugoslavia have not been in evidence since Yugoslavia's break with Stalin in 1948 and the public interest in this plenum can be compared to the party's historical fifth congress when it rejected the Cominform Resolution.

The fact that an exceptionally large number of Yugoslav and foreign journalists, some 600, including 160 special correspondents from the world over are covering the 17th LCY CC Plenum proves that a session is a historical turning point for the LCY.

Milosevic Addresses Plenum

AU1710212388 Belgrade Domestic Service in Serbo-Croatian 1626 GMT 17 Oct 88

[Speech by Slobodan Milosevic, president of the Serbian LC Central Committee Presidium, at the 17th LCY Central Committee session in Belgrade on 17 October—recorded]

[Text] Comrades, in the last several years the highest party and state bodies have been continuously holding sessions. They came to the conclusion that Yugoslav society is undergoing a crisis. At the same time, the amount of paper used to present the views on the crisis and the measures undertaken to overcome it are rising. The words—views, measures, and overcoming—are words that I have taken from the usual terminology on crisis. I personally do not regard any of these terms as appropriate to the situation in society, because the crisis is increasing and is causing dissatisfaction among the citizens. Therefore, the question of responsibility for the crisis is imposing itself.

At a recent session of the Serbian LC Central Committee, we expressed the belief that the content of this session should be the responsibility of leaderships and individuals for the obligations undertaken in connection with the crisis, especially in connection with Kosovo, which at present represents the very heart of the crisis.

The Communists in Serbia, and including the public, could not accept yet another session which would establish views in connection with the crisis and adopt measures to overcome it, if the leaderships continue their marathon and scletotic sessions while the citizens continue to be poorer and poorer, the peoples more divided, and the Serbs and Montenegrins in Kosovo exterminated.

From this session, Serbia expects changes that are necessary not to overcome the crisis, but to resolve it. This is why the Serbian LC Central Committee supported the proposed document which has the aim of achieving the unity without which changes cannot be implemented.

The very essence of the dispute that has been shaking this country in the last few years is whether we should introduce changes or not, and what changes we should introduce. This dispute cannot be resolved in such a way that will please everybody. Those who are against changes do not want anything to be changed, because at present they are living well, in both the material and the political sense. Those who do want changes are not satisfied with their economic and political life. And indeed, some people are in a position to change their job, some have not been able to find employment for years, some are changing apartments, others will retire as tenants, some have barely enough for food, others have two or three houses, some have been deciding about the fate of the country for 40 years, others cannot say what they think in an associated labor organization without being demoted. It is not right that some have been able to educate their children abroad, while others have to escort their children to the school around the corner so that they do get beaten up or raped on this short journey. Some people cannot make decisions about anything as long as they live, while others cannot criticize their boss or the system once a year without suffering consequences.

It is clear that the first group is not in favor of changes, at least not essential changes, and that the others are in favor of essential changes. There are fewer people against changes than for them, but even if the situation were to be the other way around, improving the material and political position of some parts of society, especially if it concerns the majority, cannot be achieved without bringing into question or at least limiting some other people's material and political interests. However, those people whose interests should be questioned or limited will not agree to this. This is natural. However, their consent is not needed. Socialism did not come into being because everybody was in favor of it. Now, too, establishing greater economic and political justice among the peoples and people will not receive the support of those whose interests are threatened by this.

This is why the LC must not allow anybody to throw dust into people's eyes and abuse the well-known formulation on the pluralism of interests in order to protect positions that were not attained through work and responsibility, but through benefits, aggressiveness, and ignorance.

Those who exiled the whole nation from its territory do not have an equal position in this pluralism of interests with those who were exiled. Those who have put the state and their work organization into an unfavorable position through bad and dishonest work do not have an equal position in the pluralism of interests with those who are paying for this work. To equate these interests is not democracy. On the contrary, we are talking about interests that are based on the exploitation and humiliation of other people, and they do not represent a part of the pluralism of self-managing interests, but constitute injustice and shame. There is no theory or history that could justify them. Their interests cannot be discussed. This is what democracy is. Carrying out the changes which, as we can all remember, the LC conference delegates demanded on behalf of their communes for 3 days is also democracy. They did not do this so that the leaderships could again start a series of meetings to explain what was said at the conference. What was said was heard in homes, in offices, factory halls, surgeries, in buses, on the street. The country that respects this is a democratic country. A country that successfully carries this out is a socialist democratic country.

We as individuals or as a society cannot continue to be poor and to remain poor in the future. Divided at work, nationally divided, and economically blocked, the majority of the working people live on the edge of poverty at present, and will very likely have poverty in the future.

The greatest changes should take place in the sphere of economic and social life, so that life under socialism stops being necessarily difficult and poor. By implementing the concept of a market economy and creating a unified Yugoslav market, socialism as a rich society, a society that is not in contradiction to just relations among the people, will be possible.

As far as Serbia is concerned, as is known, it favors changes and has started to introduce them. These changes are connected with improvements in the standard of living and the overall economic situation, changes in the political system within the Constitution that would enable Serbia to establish territorial, legal, and administrative unity, which it has not had up to now. It would also enable it to do what is the most essential thing—to stop the terror in Kosovo. These are the three most important and mutually connected tasks which roughly represent the essence of our current policy in Serbia.

To a great extent, this policy coincides, with the policy which we are conducting at the level of our entire society. In addition, this policy is an expression of the political demands of the working people in Serbia, and is agreed upon by the leadership and the broadest public. In order to carry out these changes, it was also necessary to introduce certain cadre changes. Some of these cadre changes have already been completed, some will be made in the next period. It is understandable that this policy of the Serbian LC and Serbia has been opposed. The opposition to this policy, as one could expect and understand, has come from those whose current material, political, status, and personal interests are threatened by these changes. However, it is more difficult to understand and expect the fact that, after such a long time of living together in socialist Yugoslavia, the opponents to changes in Serbia seek and find allies outside Serbia. The basis for this alliance probably lies in the remnants of the old intolerance toward Serbia caused by its alleged hegemonism. Communists, workers, and citizens of Serbia have always been sensitive about this kind of intolerance, because they are not obliged to bear forever the responsibility and burden of the Serbian bourgeoisie's behavior before the war, especially because the Serbian bourgeoisie's behavior was identical to that of the Croatian and Slovene bourgeoisie, which all together exploited the workers class of Yugoslavia.

Today I must say that the degree of this sensitivity is decreasing, for if everything that we have done so far is not a good enough argument that the Serbian people want to live in Serbia and Yugoslavia, on an equal footing with other peoples and nationalities, then I have no other arguments. I can only say that, at the least, it is hypocritical to accuse Serbia of wanting to be superior because it wants to be equal with others.

The currently implemented changes in the economic and political life of Serbia should contribute to the development of Serbia and are not to the detriment of other people, republics, or the country as a whole. On the contrary. They are in accordance with the achievements of our revolution and the fundamental tenets of the LC. This is clear to all well-intentioned people in Yugoslavia. For those who are not familiar with the essence and details, this is an opportunity to familiarize themselves with this. As far as ill-intentioned people are concerned, we do not intend to try to change them or polemicize with them, and certainly do not intend to justify our actions to them.

As regards our comrades outside Serbia who, because of divisions in the media which were mentioned today, are not well- or sufficiently informed, I would like to use this occasion to state several facts about the situation in Serbia.

The first concerns the meetings of solidarity with Kosovo Serbs and Montenegrins. Comrades, these are held as a protest against the inability of the existing institutions and some individuals in them to stop the terror in Kosovo. This kind of public reaction is not incompatible with our social system. On the contrary. It is fully in the spirit of our socialist and self-managing system, whose essence lies in the fact that all working people should manage society.

This reaction is in the spirit of the achievements of our civilization and the fact that our citizens have been able to freely and publicly welcome or condemn events in

their own and other communes. In this respect, the condemning or banning of citizens' gatherings in our society is not acceptable. Nobody has the right to do this if these meetings are for socialism and Yugoslavia and are held with the aim of stimulating institutions to take action to protect and develop socialism, which is something they are not doing at present. Attempts to assess people's gatherings exclusively on the basis of their causes and content, as Comrade Simic proposed earlier, are in fact identical to the views we defined at the session of the Serbian LC Central Committee Presidium and the Serbian Presidency.

It is sad, of course, that the majority of the comrades present do not have the opportunity to familiarize themselves with the real face of the meetings that have been held throughout Serbia this summer. This is a mass, vigorous, and uniform mood in favor of socialism, Yugoslavia, equality among the peoples and nationalities and, to tell the truth, against some current leaders that people hold responsible for mistakes in society. This is why I do not see why there is so much fuss about demands for some specific changes, specific changes in the leadership, if they are justified.

People have not been demanding a change in the system, our tenets. The fact that some officials who were criticized equate themselves with the system and our tenets can be their own illusion, but it is not a reason for raising the temperature and activating all the available mechanisms of society to protect them.

Second, the fact that some leaderships and individuals have issued warnings that these gatherings are a public disturbance is sad and shameful in the country in which brotherhood and unity are, at least in words, something sacred. Comrades, do not tell me that the Yugoslav public was disturbed about Kosovo for the first time at noon on 9 July 1988, when the first meeting was held in Novi Sad. The public must have been disturbed by the situation in Kosovo back in 1981 when it was officially stated in the SFRY that counterrevolution took place there.

The Yugoslav public should not have had a single peaceful day or night since the Ninth LCY Central Committee, because of the suffering of their fellow citizens in Kosovo. At that session they heard a great many details about suffering. Yugoslav Communists promised at that session that they will jointly eliminate the counterrevolution.

Therefore, disturbing the public is normal and honest. It would not be normal and honest if the citizens of Yugoslavia were not disturbed and if they were to sleep in peace while children in Kosovo are raped, houses are burned, people beaten up, graves desecrated, two nations exterminated, and a whole culture eliminated.

Third, the essence of the resistance of some leaderships and individuals to political changes in Serbia, above all, is connected with constitutional changes. Only bureaucracy stands to lose by the implementation of these changes, above all provincial bureaucracy. The autonomy of the provinces does not stand to lose anything at all. This is now evident. However, in an attempt to protect their positions, they tried to block these changes in the constitution. They have even resorted to taking from its intellectual moth-balls the warning that there is the danger of an alleged Great Serbia.

Comrades, I must state right now that Serbia, as is known, has no ambitions regarding the territories of other republics, but does have ambitions regarding the territory of its republic. Whether this territory is large or small, depends on the yardstick used to measure it. But whatever its size, it must remain as such, and will remain as such.

In this, Serbia expects support from every republic, just as it is itself ready to provide this kind of support to others, which it has always done, after all, in similar situations, when other republics were concerned. In that respect, the support given by the LCY Central Committee Presidium represents a great step forward.

Therefore the threat to Yugoslavia does not stem from the fact that Serbia wants to constitute itself as a republic and to solve the Kosovo problem. However, I propose that all those who want to oppose this ask themselves whether they have a picture of who should or should not allow Serbia to constitute itself as a republic.

Do they really not see that the working people and citizens in Serbia will not accept any bans or any permits, that they will not accept any protectors, especially not in matters concerning their legitimate rights.

In Serbia we have all understood this session as an end to a number of sessions that did not succeed in putting on their agenda the responsibility for the endangering of human rights in Kosovo and for the great, (?but not) irreversible migration of Serbs and Montenegrins from their land, and for the last genocide in the 20th century.

Many, virtually all, who speak about Kosovo accept that the situation is difficult, but they are swift to warn that such a situation cannot be done away with overnight. I have been hearing these words for at least 6 years, and I ask myself: Should we call for assistance from world and Yugoslav geographers, metereologists, and astronomers to investigate a night that has lasted 6 years. The longest night known to science lasts 6 months in the polar regions.

Blocking or slowing down the constitutional changes in Serbia and delays in stopping the terrorism in Kosovo has held our mobilization in a deadlock, and at the same time it demobilizes our joint forces for solving the crisis and implementing the direly necessary economic reform.

Kosovo is not a cause, but a consequence of the crisis of Yugoslav society. But the fact that it is a consequence does not mean that it should be solved at the very end. Maltreatment, rape, and the humiliation of people cannot wait until inflation is bridled, unemployment is reduced, exports are increased, the standard of living is raised, democratic centralism is applied, and the relations between the class and national elements are discussed. The crisis is such that one can get out of it by means of a great cadre renewal in key party, state, economic, and cultural points, that is indispensable for the purpose of implementing the socioeconomic reform of Yugoslav society as a whole.

The greatest number of Communists and citizens of our country are aware of this sequence of moves. Their awareness has obviously developed more quickly and more progressively than the awareness of a part of the leadership.

At this moment, I think that, in the political and generally in the spiritual sense, the people have grown beyond their leadership.

Considering that in our country, socialist and self-managing as it is, there is no interest and no will that is senior to the interest and the will of the working people, and especially the workers class, I think that all aspects of these interests and this will must be respected, even in making changes in leaderships when the working people and the workers class consider that their interests are inadequately expressed.

It is better for society at large that the will of the working people should be implemented in a peaceful and democratic way. There is no reason that this should not be the case. The only obstacle to this way out of the crisis lies in individuals—indeed, not few in number—who have been passed over by time, not in a biological sense, but in a spiritual sense. In the absence of a program for a way out of the crisis and in the absence of the ability to carry it out, they want to block everything: ideas and people. They almost want to introduce some sort of a moratorium, or even emergency measures, and to introduce the moratorium through emergency measures.

However, Yugoslavia does not need emergency measures. It needs extraordinary efforts and results.

Milovan Popovic Address

LD1810001988 Zagreb Domestic Service in Serbo-Croatian 2100 GMT 17 Oct 88

[Summary] The last to speak in today's debate at the 17th session of the LCY Central Committee was Milovan Popovic. He began by expressing his dissatisfaction with the situation in the country and calling for the dismissal of those responsible for it. He also criticizes the fact that the current session had been postponed several times and believes that events in Novi Sad or Titograd would never have taken place if the session had been held in September. The 17th session must be a watershed in the work of the Central Committee at which the Central Committee will rid itself of people who are responsible for the situation that exists today.

"The responsibility is indivisible. The working class and people are asking questions and we have no need to serve them false political alliances and unprincipled compromises. The questions refer to the responsibility for the present situation and are as follows: which member of the LCY Central Committee are responsible for the situation? What is the nature of the responsibility of the president of the Presidium of the LCY Central Committee? Is the current president also responsible? For us it is not important under which item on the agenda responsibility is discussed. We cannot discuss any of the items on the agenda without referring to the issue of responsibility. Not even this point which I consider to be the key point at today's session.

"The agenda as proposed is a kind of political maneuver. For instance, the report by Comrade Suvar is too long-winded and more suitable for a congress. Although it contains many good parts, it does not offer concrete instructions to Communists for their action. It goes back to some issues that have already been considered theoretically. Delays and opportunism evident in the period between the 16th and 17th sessions is partly a result of lack of determination on the part of the LCY Central Committee Presidium and even of some new method of work by Comrade Suvar in his capacity of president of the LCY Central Committee Presidium.

"To what extent and how does he take notice of the will of the membership and workers? How, for instance, does he conduct a session and direct the work of the Presidium? For instance, the work at the 16th session or at the joint session in Kosovo which we all witnessed. Public objections were heard to the effect that this behavior did not correspond to the situation in the country. His attempt to accuse the leadership of the Serbian LC Central Committee of anti-Titoism is, in my view, a political maneuver rather than an attempt to defend Tito's deeds. The defense of Tito's name and work is a permanent subject for all Yugoslavs. There is no bigger or smaller right for some in this case. Tito is defended by eliminating counterrevolution, by the changes we must carry out in the political and economic system and in the party, and not by some unjust, verbal explanations that there is Albanian nationalism, but at the same time there is also Serbian nationalism, which the Serbian leadership and its top people are accused of fomenting because they have not fought hard enough against it.

"Perhaps this is all a part of Suvar's notorious jokes or maybe it reflects his premeditated attitude toward the policy of the LC of Serbia and the people who carry out this policy. Comrade Suvar is prepared to tell the truth when it suits him. Here are some facts as an example: At one of our sessions held after the eighth session of the Serbian LC Central Committee, soon before his election

as president of the LCY Central Committee Presidium, he supported, more strongly than others from other republics, the standpoints of the eighth session. On this occasion he said, and I quote: 'Some other groups in Yugoslavia are stubbornly promoting claims to the effect that the LC of Serbia has become, especially since the eighth session of the Serbian LC Central Committee, a prisoner of Serbian nationalism.'

"Suvar continued to say that it was a paradox that the people in the present leadership of Serbia were denounced by those forces and specific circles here in Belgrade and in Serbia itself, who for years fomented Serbian nationalism. On this occasion, he criticized the provinces for shutting themselves off from Serbia. He also said, probably because it suited him to say so at that time, that socialist democracy in this country was inseparable. With this I, of course, agree. It cannot flourish in one or more republics while in other republics an allegedly undemocratic climate prevails. By this, he probably meant a restoration of Stalinism, or whatever. Or he enters into polemics with DANAS, a magazine he himself does not care for. Or is this all a result of the tradition that is being fatally reproduced from, as he put it, the sinister period of the Turkish rule?

"In his speech on the eve of his election to the office of the president of the LCY Central Committee Presidium, Suvar publicly dissociated himself from people in some part of Yugoslavia who are boasting of being Europeans while telling the others that they are mere Balkans. He probably referred to some trends in Slovenia. There are many people in both Serbia and Yugoslavia, comrades, who could ask Comrade Suvar the question: Why did he so quickly change his view of the political situation in Serbia? Why does he say one thing on one occasion and another on another occasion?

"I am telling you this, Comrade Suvar, in a communist, comradely way, not to accuse you or to ask for your dismissal but to tell you to stop doing your work in this way. [noises of reaction from other LCY Central Committee members heard in the background] We appreciate your intelligence, capability, and orientation toward Yugoslavia, and have for that reason entrusted our confidence in you which you must not betray. You are sitting in the center, at the very top of the Yugoslav party, and under this picture of Tito, one has to think and work in terms of Yugoslavia. Thank you."

LCY Session Ends 1st Day

LD1710214388 Belgrade TANJUG Domestic Service in Serbo-Croatian 2111 GMT 17 Oct 88

[Text] Belgrade, 17 Oct (TANJUG)—The first day of work at the 17th LCY Central Committee session ended this evening at 2200.

In the debate on the immediate tasks and activities of the LCY in overcoming the unfavorable political, economic, and social situation in the country 34 members of the LCY Central Committee have so far take part. Over 70 members submitted a request to speak.

Popovic Attack on Suvar Scored

LD1810092988 Belgrade TANJUG Domestic Service in Serbo-Croatian 0837 GMT 18 Oct 88

[Text] Belgrade, 18 Oct (TANJUG)—As stated by Stefan Korosec today at the beginning of the 2d day of the 17th LCY Central Committee session, the LCY Central Committee Presidium made a critical assessment of parts of the speech by Central Committee member Milovan Popovic which referred to Stipe Suvar.

The Presidium surmised that Popovic tried to discredit the moral and the political integrity of the president of the LCY Central Committee Presidium resorting to insinuations and inaccurate accusations. As stressed by Korosec, this is contrary to the spirit of comradely LC relations and does not contribute to constructive efforts to strengthen the unity in the LCY Central Committee.

As far as Stipe Suvar's introductory report is concerned, Korosec recalled, it had received complete Presidium consent.

During the session held late last night the Presidium expressed its full confidence in Stipe Suvar and in the way he is functioning as president of the LCY Central Committee Presidium and suggests the Central Committee dissociate itself from the aforementioned part of Milovan Popovic's discussion speech.

Simeon Buncic, who was chairing the session, then gave the floor to Popovic, who apologized for the way he addressed the president of the LCY Central Committee Presidium last night, attributing this to tiredness and excitement. He remarked, however, that the substance of his statement is not in dispute, although it was in fact the attack on the introductory report and the person submitting it which was the subject of this sharp reaction on the part of the LCY Central Committee Presidium.

LCY Dissociates From Krasnici Speech

LD1810094688 Belgrade TANJUG Domestic Service in Serbo-Croatian 0915 GMT 18 Oct 88

[Text] Belgrade 18 Oct (TANJUG)—Based on a proposal by the LCY Central Committee Presidium, the LCY Central Committee today, post facto, dissociated itself from Adem Krasnici's discussion speech last night in which, as Stefan Korosec explained, the committee for the organization of protest meetings in Kosovo Polje was arbitrarily linked with the Serbian party leadership.

Korosec recalled that during the 1st day of the plenary session yesterday, Nikola Jovanovic, Dragutin Kosovac, and Azem Vlasi critically reacted to that part of Adem Krasnici's discussion speech; during the resumption of the session this morning Kacusa Jasari also reacted in the same way.

Government Submits Draft Enterprise Law

LD1710200088 Belgrade TANJUG in English 1645 GMT 17 Oct 88

[Text] Belgrade, October 17 (TANJUG)—The Yugoslav Government today completed work on the draft of a law on enterprises which will enable the realization of the reform of the country's economic system.

The draft law has been submitted to the federal parliament for adoption, it has been announced.

Under the new law, Yugoslav firms will in future be able to operate with socially- and privately-owned funds, as well as with those of foreign citizens.

The enterprises will be managed by workers and management organs, as is the case now, but also by the investors and owners of the means of production.

All enterprises, regardless of who were their founders, will be treated equally as regards business operation, responsibility and access to markets.

The main objective of the draft law on financial operation, also completed today, is to reduce excessive legislature and state interference in the economy. The law should secure greater autonomy to the enterprises in making business and development decisions, but also ensure that they bear full responsibility for possible erroneous decisions.

The new law on financial operation should also provide for greater financial discipline of the enterprises, considered very important for the successful implementation of the economic reform.

The reduction of excessive legislature and state interference in the economy should also result in cutting down the number of administrative and other unproductive staff in the state administration, economy and non-economy.

The proposed changes in the law on curbing unfair competition and monopolistic agreements, also completed today, enables competent administrative organs to act more efficiently in preventing such occurences.

One of the objectives of the proposed laws is to prevent the use of monopolistic positions for acquiring verbal and other advantages not based on work.

Curug Meeting Cables LCY Central Committee

LD1510214888 Belgrade TANJUG Domestic Service in Serbo-Croatian 1720 GMT 15 Oct 88

[Summary] Curug, 15 Oct (TANJUG)—Today over 2,000 people, including more than 50 Serbs and Montenegrins from Kosovo, took part in a solidarity, brotherhood, and unity meeting in Curug. Telegrams were sent from the meeting to the Serbian LC Central Committee and to the LCY Central Committee asking for the 17th LCY Central Committee session to be open to the public.

Kosovo Polje Demands Removal of Provincial Leaders

AU1710195788 Pristina Domestic Service in Albanian 1800 GMT 17 Oct 88

[Text] A short while before the start of the session of the 17th LCY Central Committee Plenum, a gathering of so-called "representatives of the Serbian and Montenegrin people of Kosovo" was held in the House of Culture in Kosovo Polje, and sent certain demands to the Central Committee. About 400 participants from all areas of Kosovo demanded that the Central Committee, at its 17th plenum, should make radical changes in its own ranks and in the LCY Central Committee Presidium, and remove Azem Vlasi, Kolj Siroka, and Svetislav Dolasevic—of whom it was said that they are the personalities most responsible for the Kosovo drama—from the Kosovo LC Provincial Committee Presidium and from the LCY Central Committee.

Government Rejects Albania's Protest of Slogan

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[Text] Belgrade, October 17 (TANJUG)—"We have rejected Albania's protest note at a slogan calling for 'A Campaign Against Tirana' since this nonsensical slogan cannot be either identified with Yugoslavia's official policy or the Yugoslav Government can be accused because of it," Ivo Vajgl, press spokesman of Yugoslavia's Federal Secretariat for Foreign Affairs, told TANJUG today.

This slogan is so much nonsensical and irresponsible that it denies itself, he said.

The motive for the protest Tirana sent Belgrade last Thursday was a slogan saying "Go on forward, Slobodan, if it needs all the way to Tirana" that appeared on October 8 in the town of Kragujevac, Serbia, at a rally of solidarity with Serbs and Montenegrins living in Serbia's Province of Kosovo, kept exposed to terror at the hands of ethnic Albanian separatists there.

The call—that in no case can be identified with Yugoslavia's official policy—relates to Slobodan Milosevic, chief of the League of Communists of Serbia within which the Province of Kosovo has its autonomy.

Pointing out that Albania knows fully well Yugoslavia's policy of goodneighbourliness and the Yugoslav leadership's stands that relations between the two countries should be grounded on mutual respect for their sovereign rights, Vajgl wondered "for which purpose Tirana resorted to that case of mistaken theses."